

REPORT OF CONFERENCE COMMITTEE

MR. PRESIDENT AND MR. SPEAKER:

We, the undersigned conferees, have had under consideration the amendments to the following entitled BILL:

S.B. No. 2278: Severance tax; extend repealer on "new" oil and gas.

We, therefore, respectfully submit the following report and recommendation:

1. That the House recede from its Amendment No. 1.

2. That the Senate and House adopt the following amendment:

Amend by striking all after the enacting clause and inserting in lieu thereof the following:

17 SECTION 1. Section 27-25-503, Mississippi Code of 1972, is
18 amended as follows:

19 27-25-503. (1) Except as otherwise provided herein, there
20 is hereby levied, to be collected hereafter, as provided herein,
21 annual privilege taxes upon every person engaging or continuing
22 within this state in the business of producing, or severing oil,
23 as defined herein, from the soil or water for sale, transport,
24 storage, profit or for commercial use. The amount of such tax
25 shall be measured by the value of the oil produced, and shall be
26 levied and assessed at the rate of six percent (6%) of the value
27 thereof at the point of production. However, such tax shall be
28 levied and assessed at the rate of three percent (3%) of the value
29 of the oil at the point of production on oil produced by an
30 enhanced oil recovery method in which carbon dioxide is used;
31 provided, that such carbon dioxide is transported by pipeline to
32 the oil well site and on oil produced by any other enhanced oil
33 recovery method approved and permitted by the State Oil and Gas
34 Board on or after April 1, 1994, pursuant to Section 53-3-101 et
35 seq.

36 (2) The tax is hereby levied upon the entire production in
37 this state regardless of the place of sale or to whom sold, or by
38 whom used, or the fact that the delivery may be made to points
39 outside the state, and the tax shall accrue at the time such oil

40 is severed from the soil, or water, and in its natural, unrefined
41 or unmanufactured state.

42 (3) (a) Oil produced from a discovery well for which
43 drilling or re-entry commenced on or after April 1, 1994, but
44 before July 1, 1999, shall be exempt from the taxes levied under
45 this section for a period of five (5) years beginning on the date
46 of first sale of production from such well, provided that the
47 average monthly sales price of such oil does not exceed
48 Twenty-five Dollars (\$25.00) per barrel. The exemption for oil
49 produced from a discovery well as described in this paragraph (a)
50 shall be repealed from and after July 1, 2003, provided that any
51 such production for which a permit was granted by the board before
52 July 1, 2003, shall be exempt for an entire period of five (5)
53 years, notwithstanding that the repeal of this provision has
54 become effective. Oil produced from development wells or
55 replacement wells drilled in connection with discovery wells for
56 which drilling commenced on or after January 1, 1994, but before
57 July 1, 1999, shall be assessed at the rate of three percent (3%)
58 of the value of the oil at the point of production for a period of
59 three (3) years. The reduced rate of assessment of oil produced
60 from development wells or replacement wells as described in this
61 paragraph (a) shall be repealed from and after January 1, 2003,
62 provided that any such production for which drilling commenced
63 before January 1, 2003, shall be assessed at the reduced rate for
64 an entire period of three (3) years, notwithstanding that the
65 repeal of this provision has become effective.

66 (b) Oil produced from a discovery well for which
67 drilling or re-entry commenced on or after July 1, 1999, shall be
68 assessed at the rate of three percent (3%) of the value of the oil
69 at the point of production for a period of five (5) years
70 beginning on the date of first sale of production from such well,
71 provided that the average monthly sales price of such oil does not
72 exceed Twenty Dollars (\$20.00) per barrel. The reduced rate of
73 assessment of oil produced from a discovery well as described in
74 this paragraph (b) shall be repealed from and after July 1, 2003,

75 provided that any such production for which a permit was granted
76 by the board before July 1, 2003, shall be assessed at the reduced
77 rate for an entire period of five (5) years, notwithstanding that
78 the repeal of this provision has become effective. Oil produced
79 from development wells or replacement wells drilled in connection
80 with discovery wells for which drilling commenced on or after July
81 1, 1999, shall be assessed at the rate of three percent (3%) of
82 the value of the oil at the point of production for a period of
83 three (3) years. The reduced rate of assessment of oil produced
84 from development wells or replacement wells as described in this
85 paragraph (b) shall be repealed from and after January 1, 2003,
86 provided that any such production for which drilling commenced
87 before July 1, 2003, shall be assessed at the reduced rate for an
88 entire period of three (3) years, notwithstanding that the repeal
89 of this provision has become effective.

90 (4) (a) Oil produced from a development well for which
91 drilling commenced on or after April 1, 1994, but before July 1,
92 1999, and for which three-dimensional seismic was utilized in
93 connection with the drilling of such well shall be assessed at the
94 rate of three percent (3%) of the value of the oil at the point of
95 production for a period of five (5) years, provided that the
96 average monthly sales price of such oil does not exceed
97 Twenty-five Dollars (\$25.00) per barrel. The reduced rate of
98 assessment of oil produced from a development well as described in
99 this paragraph (a) and for which three-dimensional seismic was
100 utilized shall be repealed from and after July 1, 2003, provided
101 that any such production for which a permit was granted by the
102 board before July 1, 2003, shall be assessed at the reduced rate
103 for an entire period of five (5) years, notwithstanding that the
104 repeal of this provision has become effective.

105 (b) Oil produced from a development well for which
106 drilling commenced on or after July 1, 1999, and for which
107 three-dimensional seismic was utilized in connection with the
108 drilling of such well shall be assessed at the rate of three
109 percent (3%) of the value of the oil at the point of production

110 for a period of five (5) years, provided that the average monthly
111 sales price of such oil does not exceed Twenty Dollars (\$20.00)
112 per barrel. The reduced rate of assessment of oil produced from a
113 development well as described in this paragraph (b) and for which
114 three-dimensional seismic was utilized shall be repealed from and
115 after July 1, 2003, provided that any such production for which a
116 permit was granted by the board before July 1, 2003, shall be
117 assessed at the reduced rate for an entire period of five (5)
118 years, notwithstanding that the repeal of this provision has
119 become effective.

120 (5) (a) Oil produced before July 1, 1999, from a two-year
121 inactive well as defined in Section 27-25-501 shall be exempt from
122 the taxes levied under this section for a period of three (3)
123 years beginning on the date of first sale of production from such
124 well, provided that the average monthly sales price of such oil
125 does not exceed Twenty-five Dollars (\$25.00) per barrel. The
126 exemption for oil produced from an inactive well shall be repealed
127 from and after July 1, 2003, provided that any such production
128 which began before July 1, 2003, shall be exempt for an entire
129 period of three (3) years, notwithstanding that the repeal of this
130 provision has become effective.

131 (b) Oil produced on or after July 1, 1999, from a
132 two-year inactive well as defined in Section 27-25-501 shall be
133 exempt from the taxes levied under this section for a period of
134 three (3) years beginning on the date of first sale of production
135 from such well, provided that the average monthly sales price of
136 such oil does not exceed Twenty Dollars (\$20.00) per barrel. The
137 exemption for oil produced from an inactive well shall be repealed
138 from and after July 1, 2003, provided that any such production
139 which began before July 1, 2003, shall be exempt for an entire
140 period of three (3) years, notwithstanding that the repeal of this
141 provision has become effective.

142 (6) (a) As used in this subsection the term "marginal well"
143 means:

144 (i) A well producing a monthly average of twenty

145 (20) barrels of oil a day or less from a depth of seven thousand
146 five hundred (7,500) feet or less; or

147 (ii) A well producing a monthly average of forty
148 (40) barrels of oil a day or less from a depth that is more than
149 seven thousand five hundred (7,500) feet.

150 (b) The owner of a marginal well shall be entitled to a
151 refund of two-thirds (2/3) of the taxes he pays monthly pursuant
152 to this section on oil produced from such well if the average
153 monthly sales price of oil he produces from such well does not
154 exceed Twelve Dollars (\$12.00) per barrel. In order to receive
155 the refund provided for in this subsection the owner shall present
156 the State Tax Commission with a statement from the State Oil and
157 Gas Board certifying that the well is a marginal well within the
158 meaning of this subsection. The State Tax Commission shall then
159 determine the average monthly sales price of the oil sold from
160 such well and pay the refund to the owner if it determines that
161 the owner is eligible for such refund. Funds for such refund
162 shall come from the General Fund.

163 (c) This subsection (6) shall stand repealed from and
164 after July 1, 2003.

165 (7) The State Oil and Gas Board shall have the exclusive
166 authority to determine the qualification of wells defined in
167 paragraphs (n) through (r) of Section 27-25-501.

168 SECTION 2. Section 27-25-703, Mississippi Code of 1972, as
169 amended by Senate Bill No. 3060, 1999 Regular Session, is amended
170 as follows:

171 **[Until July 1, 2004, this section shall read as follows:]**

172 27-25-703. (1) Except as otherwise provided herein, there
173 is hereby levied, to be collected hereafter, as provided herein,
174 annual privilege taxes upon every person engaging or continuing
175 within this state in the business of producing, or severing gas,
176 as defined herein, from below the soil or water for sale,
177 transport, storage, profit or for commercial use. The amount of
178 such tax shall be measured by the value of the gas produced and
179 shall be levied and assessed at a rate of six percent (6%) of the

180 value thereof at the point of production, except as otherwise
181 provided in subsection (4) of this section.

182 (2) The tax is hereby levied upon the entire production in
183 this state, regardless of the place of sale or to whom sold or by
184 whom used, or the fact that the delivery may be made to points
185 outside the state, but not levied upon that gas, * * * lawfully
186 injected into the earth for cycling, repressuring, lifting or
187 enhancing the recovery of oil, nor upon gas lawfully vented or
188 flared in connection with the production of oil, nor upon gas
189 condensed into liquids on which the oil severance tax of six
190 percent (6%) is paid; save and except, however, if any gas so
191 injected into the earth is sold for such purposes, then the gas so
192 sold shall not be excluded in computing the tax * * *. The tax
193 shall accrue at the time the gas is produced or severed from the
194 soil or water, and in its natural, unrefined or unmanufactured
195 state.

196 (3) Natural gas and condensate produced from any wells for
197 which drilling is commenced after March 15, 1987, and before July
198 1, 1990, shall be exempt from the tax levied under this section
199 for a period of two (2) years beginning on the date of first sale
200 of production from such wells.

201 (4) Any well which begins commercial production of occluded
202 natural gas from coal seams on or after March 20, 1990, and before
203 July 1, 1993, shall be taxed at the rate of three and one-half
204 percent (3-1/2%) of the gross value of the occluded natural gas
205 from coal seams at the point of production for a period of five
206 (5) years after such well begins production.

207 (5) (a) Natural gas produced from discovery wells for which
208 drilling or re-entry commenced on or after April 1, 1994, but
209 before July 1, 1999, shall be exempt from the tax levied under
210 this section for a period of five (5) years beginning on the
211 earlier of one (1) year from completion of the well or the date of
212 first sale from such well, provided that the average monthly sales
213 price of such gas does not exceed Three Dollars and Fifty Cents
214 (\$3.50) per one thousand (1,000) cubic feet. The exemption for

215 natural gas produced from discovery wells as described in this
216 paragraph (a) shall be repealed from and after July 1, 2003,
217 provided that any such production for which a permit was granted
218 by the board before July 1, 2003, shall be exempt for an entire
219 period of five (5) years, notwithstanding that the repeal of this
220 provision has become effective. Natural gas produced from
221 development wells or replacement wells drilled in connection with
222 discovery wells for which drilling commenced on or after January
223 1, 1994, shall be assessed at a rate of three percent (3%) of the
224 value thereof at the point of production for a period of three (3)
225 years. The reduced rate of assessment of natural gas produced
226 from development wells or replacement wells as described in this
227 paragraph (a) shall be repealed from and after January 1, 2003,
228 provided that any such production for which drilling commenced
229 before January 1, 2003, shall be assessed at the reduced rate for
230 an entire period of three (3) years, notwithstanding that the
231 repeal of this provision has become effective.

232 (b) Natural gas produced from discovery wells for which
233 drilling or re-entry commenced on or after July 1, 1999, shall be
234 assessed at a rate of three percent (3%) of the value thereof at
235 the point of production for a period of five (5) years beginning
236 on the earlier of one (1) year from completion of the well or the
237 date of first sale from such well, provided that the average
238 monthly sales price of such gas does not exceed Two Dollars and
239 Fifty Cents (\$2.50) per one thousand (1,000) cubic feet. The
240 reduced rate of assessment of natural gas produced from discovery
241 wells as described in this paragraph (b) shall be repealed from
242 and after July 1, 2003, provided that any such production for
243 which a permit was granted by the board before July 1, 2003, shall
244 be assessed at the reduced rate for an entire period of five (5)
245 years, notwithstanding that the repeal of this provision has
246 become effective. Natural gas produced from development wells or
247 replacement wells drilled in connection with discovery wells for
248 which drilling commenced on or after July 1, 1999, shall be
249 assessed at a rate of three percent (3%) of the value thereof at

250 the point of production for a period of three (3) years. The
251 reduced rate of assessment of natural gas produced from
252 development wells or replacement wells as described in this
253 paragraph (b) shall be repealed from and after January 1, 2003,
254 provided that any such production for which drilling commenced
255 before January 1, 2003, shall be assessed at the reduced rate for
256 an entire period of three (3) years, notwithstanding that the
257 repeal of this provision has become effective.

258 (6) (a) Gas produced from a development well for which
259 drilling commenced on or after April 1, 1994, but before July 1,
260 1999, and for which three-dimensional seismic was utilized in
261 connection with the drilling of such well, shall be assessed at a
262 rate of three percent (3%) of the value of the gas at the point of
263 production for a period of five (5) years, provided that the
264 average monthly sales price of such gas does not exceed Three
265 Dollars and Fifty Cents (\$3.50) per one thousand (1,000) cubic
266 feet. The reduced rate of assessment of gas produced from a
267 development well as described in this subsection and for which
268 three-dimensional seismic was utilized shall be repealed from and
269 after July 1, 2003, provided that any such production for which a
270 permit was granted by the board before July 1, 2003, shall be
271 assessed at the reduced rate for an entire period of five (5)
272 years, notwithstanding that the repeal of this provision has
273 become effective.

274 (b) Gas produced from a development well for which
275 drilling commenced on or after July 1, 1999, and for which
276 three-dimensional seismic was utilized in connection with the
277 drilling of such well, shall be assessed at a rate of three
278 percent (3%) of the value of the gas at the point of production
279 for a period of five (5) years, provided that the average monthly
280 sales price of such gas does not exceed Two Dollars and Fifty
281 Cents (\$2.50) per one thousand (1,000) cubic feet. The reduced
282 rate of assessment of gas produced from a development well as
283 described in this paragraph (b) and for which three-dimensional
284 seismic was utilized shall be repealed from and after July 1,

285 2003, provided that any such production for which a permit was
286 granted by the board before July 1, 2003, shall be assessed at the
287 reduced rate for an entire period of five (5) years,
288 notwithstanding that the repeal of this provision has become
289 effective.

290 (7) (a) Natural gas produced before July 1, 1999, from a
291 two-year inactive well as defined in Section 27-25-701 shall be
292 exempt from the taxes levied under this section for a period of
293 three (3) years beginning on the date of first sale of production
294 from such well, provided that the average monthly sales price of
295 such gas does not exceed Three Dollars and Fifty Cents (\$3.50) per
296 one thousand (1,000) cubic feet. The exemption for natural gas
297 produced from an inactive well as described in this subsection
298 shall be repealed from and after July 1, 2003, provided that any
299 such production which began before July 1, 2003, shall be exempt
300 for an entire period of three (3) years, notwithstanding that the
301 repeal of this provision has become effective.

302 (b) Natural gas produced on or after July 1, 1999, from
303 a two-year inactive well as defined in Section 27-25-701 shall be
304 exempt from the taxes levied under this section for a period of
305 three (3) years beginning on the date of first sale of production
306 from such well, provided that the average monthly sales price of
307 such gas does not exceed Two Dollars and Fifty Cents (\$2.50) per
308 one thousand (1,000) cubic feet. The exemption for natural gas
309 produced from an inactive well as described in this paragraph (b)
310 shall be repealed from and after July 1, 2003, provided that any
311 such production which began before July 1, 2003, shall be exempt
312 for an entire period of three (3) years, notwithstanding that the
313 repeal of this provision has become effective.

314 (8) The State Oil and Gas Board shall have the exclusive
315 authority to determine the qualification of wells defined in
316 paragraphs (n) through (r) of Section 27-15-701.

317 **[From and after July 1, 2004, this section shall read as**
318 **follows:]**

319 27-25-703. (1) Except as otherwise provided herein, there

320 is hereby levied, to be collected hereafter, as provided herein,
321 annual privilege taxes upon every person engaging or continuing
322 within this state in the business of producing, or severing gas,
323 as defined herein, from below the soil or water for sale,
324 transport, storage, profit or for commercial use. The amount of
325 such tax shall be measured by the value of the gas produced and
326 shall be levied and assessed at a rate of six percent (6%) of the
327 value thereof at the point of production, except as otherwise
328 provided in subsection (4) of this section.

329 (2) The tax is hereby levied upon the entire production in
330 this state, regardless of the place of sale or to whom sold or by
331 whom used, or the fact that the delivery may be made to points
332 outside the state, but not levied upon that gas, including carbon
333 dioxide, lawfully injected into the earth for cycling,
334 repressuring, lifting or enhancing the recovery of oil, nor upon
335 gas lawfully vented or flared in connection with the production of
336 oil, nor upon gas condensed into liquids on which the oil
337 severance tax of six percent (6%) is paid; save and except,
338 however, if any gas so injected into the earth is sold for such
339 purposes, then the gas so sold shall not be excluded in computing
340 the tax, unless such gas is carbon dioxide which is sold to be
341 used and is used in Mississippi in an enhanced oil recovery
342 method, in which event there shall be no severance tax levied on
343 carbon dioxide so sold and used. The tax shall accrue at the time
344 the gas is produced or severed from the soil or water, and in its
345 natural, unrefined or unmanufactured state.

346 (3) Natural gas and condensate produced from any wells for
347 which drilling is commenced after March 15, 1987, and before July
348 1, 1990, shall be exempt from the tax levied under this section
349 for a period of two (2) years beginning on the date of first sale
350 of production from such wells.

351 (4) Any well which begins commercial production of occluded
352 natural gas from coal seams on or after March 20, 1990, and before
353 July 1, 1993, shall be taxed at the rate of three and one-half
354 percent (3-1/2%) of the gross value of the occluded natural gas

355 from coal seams at the point of production for a period of five
356 (5) years after such well begins production.

357 (5) (a) Natural gas produced from discovery wells for which
358 drilling or re-entry commenced on or after April 1, 1994, but
359 before July 1, 1999, shall be exempt from the tax levied under
360 this section for a period of five (5) years beginning on the
361 earlier of one (1) year from completion of the well or the date of
362 first sale from such well, provided that the average monthly sales
363 price of such gas does not exceed Three Dollars and Fifty Cents
364 (\$3.50) per one thousand (1,000) cubic feet. The exemption for
365 natural gas produced from discovery wells as described in this
366 paragraph (a) shall be repealed from and after July 1, 2003,
367 provided that any such production for which a permit was granted
368 by the board before July 1, 2003, shall be exempt for an entire
369 period of five (5) years, notwithstanding that the repeal of this
370 provision has become effective. Natural gas produced from
371 development wells or replacement wells drilled in connection with
372 discovery wells for which drilling commenced on or after January
373 1, 1994, shall be assessed at a rate of three percent (3%) of the
374 value thereof at the point of production for a period of three (3)
375 years. The reduced rate of assessment of natural gas produced
376 from development wells or replacement wells as described in this
377 paragraph (a) shall be repealed from and after January 1, 2003,
378 provided that any such production for which drilling commenced
379 before January 1, 2003, shall be assessed at the reduced rate for
380 an entire period of three (3) years, notwithstanding that the
381 repeal of this provision has become effective.

382 (b) Natural gas produced from discovery wells for which
383 drilling or re-entry commenced on or after July 1, 1999, shall be
384 assessed at a rate of three percent (3%) of the value thereof at
385 the point of production for a period of five (5) years beginning
386 on the earlier of one (1) year from completion of the well or the
387 date of first sale from such well, provided that the average
388 monthly sales price of such gas does not exceed Two Dollars and
389 Fifty Cents (\$2.50) per one thousand (1,000) cubic feet. The

390 reduced rate of assessment of natural gas produced from discovery
391 wells as described in this paragraph (b) shall be repealed from
392 and after July 1, 2003, provided that any such production for
393 which a permit was granted by the board before July 1, 2003, shall
394 be assessed at the reduced rate for an entire period of five (5)
395 years, notwithstanding that the repeal of this provision has
396 become effective. Natural gas produced from development wells or
397 replacement wells drilled in connection with discovery wells for
398 which drilling commenced on or after July 1, 1999, shall be
399 assessed at a rate of three percent (3%) of the value thereof at
400 the point of production for a period of three (3) years. The
401 reduced rate of assessment of natural gas produced from
402 development wells or replacement wells as described in this
403 paragraph (b) shall be repealed from and after January 1, 2003,
404 provided that any such production for which drilling commenced
405 before January 1, 2003, shall be assessed at the reduced rate for
406 an entire period of three (3) years, notwithstanding that the
407 repeal of this provision has become effective.

408 (6) (a) Gas produced from a development well for which
409 drilling commenced on or after April 1, 1994, but before July 1,
410 1999, and for which three-dimensional seismic was utilized in
411 connection with the drilling of such well, shall be assessed at a
412 rate of three percent (3%) of the value of the gas at the point of
413 production for a period of five (5) years, provided that the
414 average monthly sales price of such gas does not exceed Three
415 Dollars and Fifty Cents (\$3.50) per one thousand (1,000) cubic
416 feet. The reduced rate of assessment of gas produced from a
417 development well as described in this subsection and for which
418 three-dimensional seismic was utilized shall be repealed from and
419 after July 1, 2003, provided that any such production for which a
420 permit was granted by the board before July 1, 2003, shall be
421 assessed at the reduced rate for an entire period of five (5)
422 years, notwithstanding that the repeal of this provision has
423 become effective.

424 (b) Gas produced from a development well for which

425 drilling commenced on or after July 1, 1999, and for which
426 three-dimensional seismic was utilized in connection with the
427 drilling of such well, shall be assessed at a rate of three
428 percent (3%) of the value of the gas at the point of production
429 for a period of five (5) years, provided that the average monthly
430 sales price of such gas does not exceed Two Dollars and Fifty
431 Cents (\$2.50) per one thousand (1,000) cubic feet. The reduced
432 rate of assessment of gas produced from a development well as
433 described in this paragraph (b) and for which three-dimensional
434 seismic was utilized shall be repealed from and after July 1,
435 2003, provided that any such production for which a permit was
436 granted by the board before July 1, 2003, shall be assessed at the
437 reduced rate for an entire period of five (5) years,
438 notwithstanding that the repeal of this provision has become
439 effective.

440 (7) (a) Natural gas produced before July 1, 1999, from a
441 two-year inactive well as defined in Section 27-25-701 shall be
442 exempt from the taxes levied under this section for a period of
443 three (3) years beginning on the date of first sale of production
444 from such well, provided that the average monthly sales price of
445 such gas does not exceed Three Dollars and Fifty Cents (\$3.50) per
446 one thousand (1,000) cubic feet. The exemption for natural gas
447 produced from an inactive well as described in this subsection
448 shall be repealed from and after July 1, 2003, provided that any
449 such production which began before July 1, 2003, shall be exempt
450 for an entire period of three (3) years, notwithstanding that the
451 repeal of this provision has become effective.

452 (b) Natural gas produced on or after July 1, 1999, from
453 a two-year inactive well as defined in Section 27-25-701 shall be
454 exempt from the taxes levied under this section for a period of
455 three (3) years beginning on the date of first sale of production
456 from such well, provided that the average monthly sales price of
457 such gas does not exceed Two Dollars and Fifty Cents (\$2.50) per
458 one thousand (1,000) cubic feet. The exemption for natural gas
459 produced from an inactive well as described in this paragraph (b)

460 shall be repealed from and after July 1, 2003, provided that any
461 such production which began before July 1, 2003, shall be exempt
462 for an entire period of three (3) years, notwithstanding that the
463 repeal of this provision has become effective.

464 (8) The State Oil and Gas Board shall have the exclusive
465 authority to determine the qualification of wells defined in
466 paragraphs (n) through (r) of Section 27-15-701.

467 SECTION 3. This act shall take effect and be in force from
468 and after its passage.

**Further, amend by striking the title in its entirety and
inserting in lieu thereof the following:**

1 AN ACT TO AMEND SECTION 27-25-503, MISSISSIPPI CODE OF 1972,
2 TO EXTEND THE EXEMPTION FROM OIL SEVERANCE TAX ON CERTAIN
3 PRODUCTION FROM TWO-YEAR INACTIVE WELLS; TO PROVIDE THAT CERTAIN
4 PRODUCTION FROM DISCOVERY WELLS SHALL BE TAXED AT A REDUCED RATE;
5 TO EXTEND THE REDUCED RATE OF OIL SEVERANCE TAX ON CERTAIN
6 PRODUCTION FROM DEVELOPMENT WELLS AND REPLACEMENT WELLS; TO
7 PROVIDE THAT THE OWNER OF CERTAIN MARGINAL WELLS MAY RECEIVE A
8 REFUND OF A CERTAIN AMOUNT OF THE SEVERANCE TAXES PAID ON OIL FROM
9 SUCH WELL UNDER CERTAIN CIRCUMSTANCES; TO AMEND SECTION 27-25-703,
10 MISSISSIPPI CODE OF 1972, TO EXTEND THE EXEMPTION FROM GAS
11 SEVERANCE TAX ON CERTAIN PRODUCTION FROM TWO-YEAR INACTIVE WELLS;
12 TO PROVIDE THAT CERTAIN PRODUCTION FROM DISCOVERY WELLS SHALL BE
13 TAXED AT A REDUCED RATE; TO EXTEND THE REDUCED RATE OF GAS
14 SEVERANCE TAX ON CERTAIN PRODUCTION FROM DEVELOPMENT WELLS AND
15 REPLACEMENT WELLS; AND FOR RELATED PURPOSES.

CONFEREES FOR THE SENATE:

CONFEREES FOR THE HOUSE:

X _____
Hob Bryan

X _____
Bobby Moak

X _____
Alice Harden

X _____
Ray Rogers

X _____
Gray Tollison

X _____
James C. Simpson, Jr.