

AN ACT

relating to an exemption from oil and gas severance taxes for oil and gas produced in association with the production of geothermal energy.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter B, Chapter 201, Tax Code, is amended by adding Section 201.060 to read as follows:

Sec. 201.060. EXEMPTION OF GAS INCIDENTALLY PRODUCED IN ASSOCIATION WITH THE PRODUCTION OF GEOTHERMAL ENERGY. Gas incidentally produced in association with the production of geothermal energy is not subject to the tax imposed by this chapter.

SECTION 2. Subchapter B, Chapter 202, Tax Code, is amended by adding Section 202.063 to read as follows:

Sec. 202.063. EXEMPTION OF OIL INCIDENTALLY PRODUCED IN ASSOCIATION WITH THE PRODUCTION OF GEOTHERMAL ENERGY. Oil incidentally produced in association with the production of geothermal energy is not subject to the tax imposed by this chapter.

SECTION 3. This Act takes effect September 1, 2009.

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President of the Senate

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Speaker of the House

I certify that H.B. No. 4433 was passed by the House on May 12, 2009, by the following vote: Yeas 149, Nays 0, 1 present, not voting; and that the House concurred in Senate amendments to H.B. No. 4433 on May 29, 2009, by the following vote: Yeas 143, Nays 0, 1 present, not voting.

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Chief Clerk of the House

I certify that H.B. No. 4433 was passed by the Senate, with amendments, on May 27, 2009, by the following vote: Yeas 30, Nays 0, 1 present, not voting.

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Secretary of the Senate

APPROVED: \_\_\_\_\_

Date

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Governor