

By: Rodriguez

H.B. No. 4433

A BILL TO BE ENTITLED

1 AN ACT
2 relating to an exemption from oil and gas severance taxes for oil
3 and gas produced in association with the production of geothermal
4 energy.

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

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

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

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

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

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