

By: White

H.B. No. 313

A BILL TO BE ENTITLED

AN ACT

relating to allocating a portion of oil and gas production tax revenue to the counties from which the oil and gas originated.

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

SECTION 1. Section 201.404, Tax Code, is amended to read as follows:

Sec. 201.404. ALLOCATION OF REVENUE. After deducting the amount required to be deposited by Section 201.403 [~~of this code~~], the comptroller shall deposit [~~one-fourth of~~] the revenue collected from the tax imposed by this chapter as follows:

(1) 25 percent to the credit of the foundation school fund;

(2) two percent to the credit of the trust fund created under Section 205.001, to be disbursed to counties for the purposes and in the manner provided by that section; and

(3) the remainder [~~three-fourths~~] to the general revenue fund.

SECTION 2. Section 202.353, Tax Code, is amended to read as follows:

Sec. 202.353. ALLOCATION OF REVENUE. After deducting the amount required to be deposited by Section 202.352 [~~of this code~~], the comptroller shall deposit [~~one-fourth of~~] the revenue collected from the tax imposed by this chapter as follows:

(1) 25 percent to the credit of the foundation school

1 fund;

2 (2) two percent to the credit of the trust fund created  
3 under Section 205.001, to be disbursed to counties for the purposes  
4 and in the manner provided by that section; and

5 (3) the remainder [~~three-fourths~~] to the general  
6 revenue fund.

7 SECTION 3. Subtitle I, Title 2, Tax Code, is amended by  
8 adding Chapter 205 to read as follows:

9 CHAPTER 205. SEVERANCE TAX TRUST FUND

10 Sec. 205.001. TRUST FUND FOR REVENUE FROM SEVERANCE TAXES  
11 FOR COUNTIES. (a) The comptroller shall deposit the following in a  
12 trust fund outside the state treasury to be held with the  
13 comptroller in trust:

14 (1) the revenue collected from the gas production tax  
15 as specified by Section 201.404(2); and

16 (2) the revenue collected from the oil production tax  
17 as specified by Section 202.353(2).

18 (b) The comptroller shall:

19 (1) administer the fund as trustee on behalf of each  
20 county in this state; and

21 (2) send to the county treasurer payable to the county  
22 the county's share of the revenue in the trust fund as provided by  
23 this section.

24 (c) Each county's share of the revenue in the trust fund is  
25 equal to the amount of revenue in the trust fund that is  
26 attributable to gas production and oil production in that county.

27 (d) The comptroller shall remit to a county the county's

1 share of the revenue in the trust fund not later than the 90th day  
2 after the last day of the calendar month during which the revenue  
3 was deposited in the trust fund.

4 (e) A county may use money received under this section only  
5 to supplement the construction and maintenance of county roads and  
6 bridges that are impacted by oil and gas exploration and production  
7 activities.

8 SECTION 4. The changes in law made by this Act apply only to  
9 tax revenue collected under Chapters 201 and 202, Tax Code, from oil  
10 and gas produced on or after the effective date of this Act. Tax  
11 revenue collected under Chapters 201 and 202, Tax Code, from oil and  
12 gas produced before that date is governed by the law in effect at  
13 the time the oil and gas was produced, and that law is continued in  
14 effect for that purpose.

15 SECTION 5. This Act takes effect September 1, 2019.