

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas  
2 84th General Assembly  
3 Regular Session, 2003

# A Bill

HOUSE BILL 1319

4  
5 By: Representative Lendall  
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## For An Act To Be Entitled

8  
9 AN ACT TO AMEND ARKANSAS CODE § 26-58-111 TO  
10 REVISE THE RATES FOR SEVERANCE TAX ON NATURAL GAS  
11 PRODUCED IN THIS STATE; AND FOR OTHER PURPOSES.  
12

## Subtitle

13  
14 TO REVISE THE RATES FOR SEVERANCE TAX ON  
15 NATURAL GAS PRODUCED IN THIS STATE.  
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18 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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20 SECTION 1. Arkansas Code § 26-58-111(5), concerning the severance tax  
21 rate on natural gas, is amended to read as follows:

22 (5) On natural gas, ~~three tenths of one cent (3/10 of 1¢) per one~~  
23 ~~thousand cubic feet (1,000 cu. ft.)~~ five percent (5%) of the market value at  
24 the time and point of severance;  
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26 SECTION 2. The effective date of this act is July 1, 2003.  
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28 SECTION 3. EMERGENCY CLAUSE. It is found and determined by the  
29 General Assembly of the State of Arkansas that due to a decline in the  
30 economy, additional general revenues must be found to ensure that the state  
31 can maintain essential services, meet the commitments of existing programs,  
32 and provide new and expanded services to the citizens of this state; that the  
33 severance tax on natural gas produced in this state is substantially lower  
34 than the severance tax levied on natural gas produced in neighboring states;  
35 and that this act is immediately necessary to generate additional general  
36 revenues because increasing the severance tax levied on natural gas produced



1 in this state will provide additional funding for essential services.  
2 Therefore, an emergency is declared to exist and this act being immediately  
3 necessary for the preservation of the public peace, health, and safety shall  
4 become effective on July 1, 2003.

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