

ARKANSAS SENATE
90th General Assembly - Regular Session, 2015
Amendment Form

Subtitle of Senate Bill No. 833

TO AMEND THE VALUATION PROCEDURES USED FOR PURPOSES OF AD VALOREM TAXES; AND TO
PROVIDE A VALUATION METHOD FOR NATURAL GAS PIPING AND EQUIPMENT USED IN A
NATURAL GAS PRODUCTION.

Amendment No. 1 to Senate Bill No. 833

Amend Senate Bill No. 833 as originally introduced:

Delete everything after the enacting clause, and substitute the following:

"SECTION 1. Arkansas Code § 26-26-1202(c), concerning the valuation procedures used for purposes of ad valorem taxation, is amended to add additional subdivisions to read as follows:

(3) Piping and equipment located downstream of the inlet side of the first meter measuring gas at the site of a natural gas production and upstream of the point of custody transfer shall be valued at the greater of:

(A) The owner's original cost, less total depreciation calculated using a twenty-year straight line depreciation schedule; or

(B) Twenty-five percent (25%) of the owner's original cost.

(4) Piping and equipment for a marginal gas well, as defined in § 26-58-101, located downstream of the inlet side of the first meter measuring gas at the site of a natural gas production and upstream of the point of custody transfer shall be valued at twenty-five percent (25%) of the greater of:

(A) The owner's original cost, less total depreciation calculated using a twenty-year straight line depreciation schedule; or

(B) Twenty-five percent (25%) of the owner's original cost.

SECTION 2. EFFECTIVE DATE. This act is effective for assessment years beginning on or after January 1, 2015."



The Amendment was read the first time, rules suspended and read the second time and _____

By: Senator Maloch

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Secretary