

# HOUSE BILL No. 4574

April 10, 2003, Introduced by Rep. Minore and referred to the Committee on Tax Policy.

A bill to amend 1929 PA 48, entitled

"An act levying a specific tax to be known as the severance tax upon all producers engaged in the business of severing oil and gas from the soil; prescribing the method of collecting the tax; requiring all producers of such products or purchasers thereof to make reports; to provide penalties; to provide exemptions and refunds; to prescribe the disposition of the funds so collected; and to exempt those paying such specific tax from certain other taxes,"

by amending section 15 (MCL 205.315).

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 15. (1) ~~The~~ **Except as otherwise provided in this**  
2 **section, the** severance tax ~~herein~~ provided for ~~shall be in~~  
3 **this act is** in lieu of ~~all other taxes, state or local, ad~~  
4 **valorem property taxes or specific taxes levied in lieu of ad**  
5 **valorem property taxes levied** upon the oil or gas, the property  
6 rights attached ~~thereto~~ or inherent ~~therein~~ **in the oil or**  
7 **gas, or the values created** ~~thereby~~ **by the oil or gas;** upon all  
8 leases or the rights to develop and operate any lands of this

1 state for oil or gas ~~—, and the values created thereby by~~  
 2 **those leases or rights;** and upon the property rights attached to  
 3 or inherent ~~therein: Provided, however, Nothing herein~~  
 4 ~~contained shall in anywise:~~ **in the oil or gas.**

5 (2) **This section does not** exempt the machinery, appliances,  
 6 pipe lines, tanks, and other equipment used in the development or  
 7 operation of ~~said oil or gas~~ leases ~~—, or used to transmit or~~  
 8 transport the ~~said oil or gas~~ ~~—: And provided further, That~~  
 9 ~~nothing herein contained shall in anywise~~ or relieve any  
 10 ~~corporation or association~~ **person** from the payment of any  
 11 franchise or privilege taxes required by ~~the provisions of the~~  
 12 **this** state. ~~corporation laws.~~

13 Enacting section 1. This amendatory act takes effect for  
 14 tax years beginning on or after January 1, 2004.