

1                                   A bill to be entitled  
 2           An act relating to the tax on severance and production  
 3           of oil; amending s. 211.02, F.S.; defining the term  
 4           "mature field recovery oil" and applying to such oil  
 5           the tiered severance tax rates applicable to tertiary  
 6           oil; providing an effective date.

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 8   Be It Enacted by the Legislature of the State of Florida:

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 10           Section 1. Paragraph (b) of subsection (1) of section  
 11           211.02, Florida Statutes, is amended, present subsections (4)  
 12           and (5) of that section are renumbered as subsections (5) and  
 13           (6), respectively, and a new subsection (4) is added to that  
 14           section, to read:

15           211.02 Oil production tax; basis and rate of tax; tertiary  
 16           oil.—An excise tax is hereby levied upon every person who severs  
 17           oil in the state for sale, transport, storage, profit, or  
 18           commercial use. Except as otherwise provided in this part, the  
 19           tax is levied on the basis of the entire production of oil in  
 20           this state, including any royalty interest. Such tax shall  
 21           accrue at the time the oil is severed and shall be a lien on  
 22           production regardless of the place of sale, to whom sold, or by  
 23           whom used, and regardless of the fact that delivery of the oil  
 24           may be made outside the state.

25           (1) The amount of tax shall be measured by the value of  
 26           the oil produced and saved or sold during a month. The value of  
 27           oil shall be taxed at the following rates:

28           (b) Tertiary oil and mature field recovery oil:

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29 | 1. One percent of the gross value of oil on the value of  
 30 | oil \$60 dollars and below;

31 | 2. Seven percent of the gross value of oil on the value of  
 32 | oil above \$60 and below \$80; and

33 | 3. Nine percent of the gross value of oil on the value of  
 34 | oil \$80 and above.

35 | (4) As used in this section, the term "mature field  
 36 | recovery oil" means the barrels of oil recovered from new wells  
 37 | that begin production after July 1, 2012, in fields that were  
 38 | discovered prior to 1981.

39 | Section 2. This act shall take effect July 1, 2012.