

PBPA Legislative Committee Report November 30, 2018

Here is what you need to know:

Today at 1:00 p.m. Texas Commission on Public School Finance meets in Capitol Extension, Room E1.012. Should be interesting. They are to discuss their recommendations. Click here to watch: <https://senate.texas.gov/av-live.php>

Saturday, December 1. House Republican Caucus meets and will vote on Rep. Bonnen for Speaker.

Saturday, December 8. Last day to make a **political contribution** to state officeholders. No contributions 30 days prior to the Legislative Session and during the Legislative Session.

Tuesday, December 11. Special Election to fill Senator Garcia’s seat (Senate District 6-Harris County). Early voting ends December 7.

Tax Exemptions and Tax Incidence Report. On Tuesday, November 27, the Comptroller released this required report. The report estimates the value of each exemption, exclusion, discount, deduction, special accounting method, credit, refund and special appraisal available to payers of Texas’ sales, motor vehicle sales, franchise, oil production and gasoline taxes, as well as property taxes levied by Texas school districts. Below is Table 8 that sets out the oil production tax exemptions. See, page 29. For more, here is the link: [November 2018 Tax Exemption and Incidence Report](#)

Table 8. Value of Oil Production Tax Exemptions
Fiscal 2019 to 2024 (dollar amounts in millions)

Tax Code.	Exemption	2019	2020	2021	2022	2023	2024
202.054	Qualification of oil from new or expanded enhanced recovery project for special tax rate	\$48.6	\$45.4	\$43.3	\$43.9	\$43.4	\$43.0
202.0545	Enhanced recovery projects using anthropogenic carbon dioxide	3.3	2.7	2.2	2.0	1.7	1.5
202.056	Oil and gas from wells previously inactive	1.7	0.2	0.0	0.0	0.0	0.0
202.058	Qualifying low-producing oil leases	*	*	*	*	*	*
202.06	Oil and gas from reactivated orphaned wells	*	*	*	*	*	*
202.063	Oil incidentally produced in association with the production of geothermal energy	*	*	*	*	*	*
Total Value of Crude Oil Production Tax Exemptions		\$53.6	\$48.3	\$45.5	\$45.8	\$45.1	\$44.5

* Amount is negligible. Note: Totals may not sum due to rounding

Bills of Interest filed from November 26 thru noon of November 30.

SB 211 by Flores. Tax Property Status: Introduced 11/29/18
Summary. Addresses two points. Point one is that if you protest via telephone, then you have to submit an affidavit of your evidence and under SB 211 the chief appraiser will be able to review the affidavit prior to the hearing. Point two is that it creates a separate line of protest/appeals in Atascosa County to a justice court if the amount is less than \$5,000 and the appeal relates to only a “determination of appraised value or

eligibility for an exemption from taxation.” This new section expires September 1, 2015.

Below are a couple of news stories that we call to your attention:

[Natural-Gas-Prices-Fall-Below-Zero-In-Texas](#). ““That’s right, someone was paid to buy gas in the Permian on Monday,” RBN Energy LLC analyst Jason Ferguson said, referring to NGI’s pricing data.”

[Wind Energy Braces for Fight in Texas Capitol](#). “Cutter Gonzalez, a policy analyst for the Texas Public Policy Foundation, says the state should not help an industry that already receives incentives from the Federal Government.” “Critics of TPPF's efforts say the think-tank is doing the bidding of the oil and gas industry leaders - and their politically connected donors - who are trying to eliminate up-start competition.”