

# OIL AND GAS TAX REVENUES



## HOW THE OIL INDUSTRY AND REGION BENEFIT & SUPPORT THE STATE

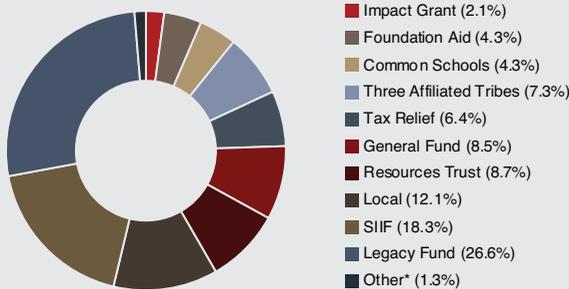
### PURPOSE

- Review the extraction and gross production tax collections by the State of North Dakota for fiscal years 2008 through 2020, the period since the development of the Bakken.
- Detail the various funds that benefit from oil tax revenues
- Highlight how various state funds and distributions are provided to all areas of the state.
- Show benefits of oil tax revenues throughout the state.

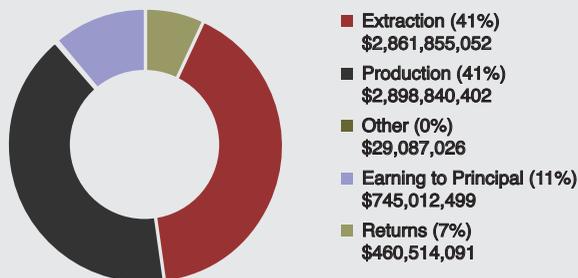
### HIGHLIGHTS

- Oil extraction and production tax revenues are over \$22 billion for fiscal years 2008-2020.
- During the Bakken development, oil extraction and production taxes are more than 45% of all taxes collected by the State.
- In the past 5 fiscal years, oil extraction and production taxes are approximately 50% of all taxes collected by the State.
- \$1.3 billion dollars for water projects throughout the State.
- Legacy Fund has received nearly \$6 billion.
- Over \$8.2 billion invested in communities and infrastructure across the State.

### OIL & GAS TAX DISTRIBUTIONS 2008 - 2020 FY

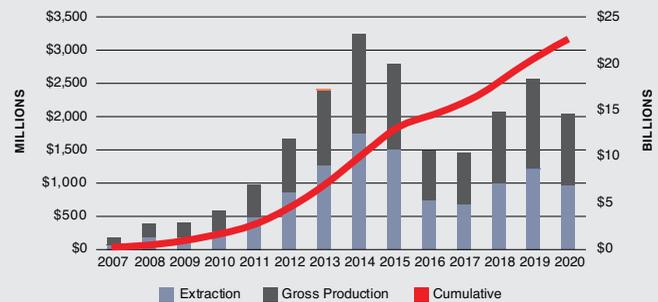


### LEGACY FUND



BALANCE AS OF 6/30/20: \$6,995,309,070

### TOTAL OIL TAX COLLECTIONS



### GROSS PRODUCTION TAX

Gross value of oil production at the well, less any part which is specifically exempt, is taxed in lieu of property taxes on the oil and gas production properties. Gas production is taxed on a volume basis at a rate determined by the movement of a fuels cost index. **The current gross production tax rate is 5%.**

### EXTRACTION TAX

The gross value of oil production at the well, less any part which is specifically exempt. **The current extraction tax rate is 5%.**



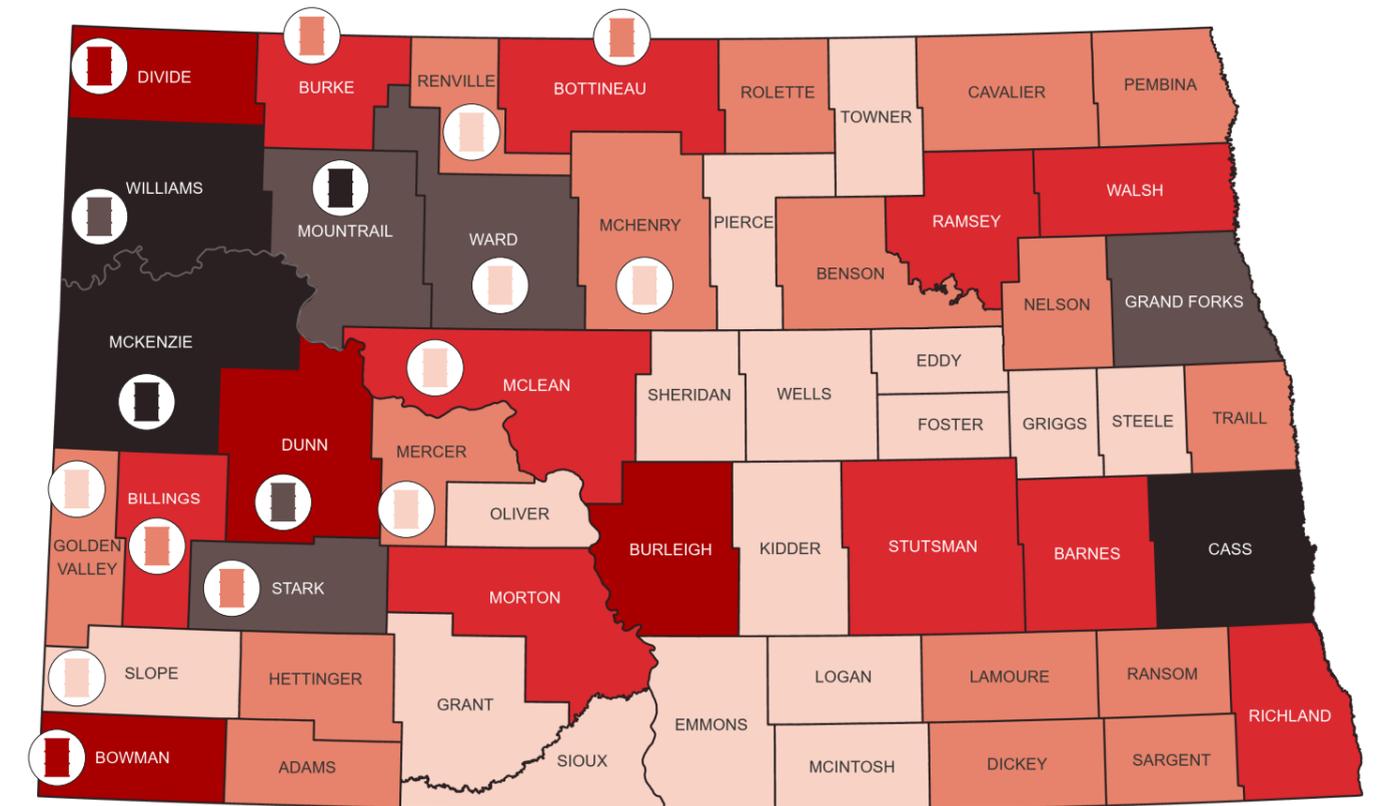
# STATE OIL TAX DISTRIBUTIONS BY TYPE

## FISCAL YEARS 2008-2020

| COUNTY        | PROPERTY TAX | WATER         | EDUCATION     | OHF         | TRANSPOR-TATION | GPT/ONE TIME/OTHER | TOTAL         |
|---------------|--------------|---------------|---------------|-------------|-----------------|--------------------|---------------|
| Adams         | \$1,657,279  | \$10,921,695  | \$4,690,217   | \$398,990   | \$6,351,443     | \$3,097,412        | \$27,117,035  |
| Barnes        | \$8,014,572  | \$53,890,715  | \$23,590,963  | \$1,025,520 | \$11,538,468    | \$33,047,311       | \$131,107,548 |
| Benson        | \$2,757,586  | \$20,069,627  | \$17,777,041  | \$149,890   | \$9,290,386     | \$1,293,155        | \$51,337,685  |
| Billings      | \$1,002,449  | \$12,704,530  | \$270,073     | \$426,342   | \$20,865,655    | \$82,490,597       | \$117,759,646 |
| Bottineau     | \$5,078,136  | \$4,858,489   | \$14,191,479  | \$381,955   | \$24,163,093    | \$59,032,009       | \$107,705,161 |
| Bowman        | \$2,177,349  | \$10,889,597  | \$9,341,611   | \$455,168   | \$15,643,318    | \$119,522,075      | \$158,029,118 |
| Burke         | \$2,233,406  | \$17,769,249  | \$5,872,461   | \$554,289   | \$22,882,359    | \$89,842,350       | \$139,154,113 |
| Burleigh      | \$46,117,894 | \$9,931,275   | \$180,784,512 | \$947,733   | \$11,536,359    | \$5,649,701        | \$254,967,474 |
| Cass          | \$93,447,481 | \$322,864,894 | \$330,390,871 | \$926,840   | \$19,669,721    | \$106,598,347      | \$873,898,154 |
| Cavalier      | \$4,653,007  | \$13,198,676  | \$7,482,580   | \$196,013   | \$8,518,064     | \$1,705,000        | \$35,753,341  |
| Dickey        | \$4,093,396  | \$2,661,467   | \$12,155,156  | \$193,305   | \$8,178,272     | \$320,000          | \$27,601,595  |
| Divide        | \$2,521,190  | \$26,048,474  | \$3,667,812   | \$313,783   | \$26,674,177    | \$136,028,991      | \$195,254,427 |
| Dunn          | \$3,043,301  | \$18,244,328  | \$6,794,752   | \$417,900   | \$44,407,390    | \$348,220,203      | \$421,127,874 |
| Eddy          | \$1,426,347  | \$270,196     | \$5,862,748   | \$126,027   | \$3,186,824     | \$180,000          | \$11,052,141  |
| Emmons        | \$2,524,731  | \$243,737     | \$9,710,202   | \$759,967   | \$5,731,200     | \$443,431          | \$19,413,267  |
| Foster        | \$2,606,266  | \$9,494       | \$7,902,993   | \$71,027    | \$4,226,331     | \$2,680,000        | \$17,496,111  |
| Golden Valley | \$926,744    | \$12,727,350  | \$5,704,438   | \$451,342   | \$7,731,746     | \$31,612,873       | \$59,154,494  |
| Grand Forks   | \$39,306,299 | \$54,694,625  | \$132,502,181 | \$780,938   | \$14,404,336    | \$234,483,428      | \$476,171,807 |
| Grant         | \$1,813,743  | \$10,904,926  | \$5,037,304   | \$690,497   | \$5,601,170     | \$484,123          | \$24,531,764  |
| Griggs        | \$2,141,899  | \$434,696     | \$7,652,030   | \$352,745   | \$5,153,158     | \$200,000          | \$15,934,529  |
| Hettinger     | \$2,318,265  | \$10,931,478  | \$7,666,269   | \$674,461   | \$6,322,563     | \$1,372,689        | \$29,285,725  |
| Kidder        | \$1,505,185  | \$1,525,592   | \$6,319,468   | \$36,575    | \$7,174,494     | \$400,000          | \$16,961,315  |
| LaMoure       | \$3,587,429  | \$3,009,493   | \$11,109,451  | \$948,026   | \$8,528,910     | \$320,000          | \$27,503,309  |
| Logan         | \$1,471,032  | \$-           | \$6,331,242   | \$339,070   | \$4,570,871     | \$280,000          | \$12,992,215  |
| McHenry       | \$3,806,261  | \$12,202,095  | \$16,615,450  | \$596,975   | \$10,570,990    | \$3,866,165        | \$47,657,936  |
| McIntosh      | \$1,730,926  | \$-           | \$7,239,222   | \$111,382   | \$4,732,002     | \$280,000          | \$14,093,533  |
| McKenzie      | \$8,146,129  | \$64,170,438  | \$19,086,184  | \$346,645   | \$109,845,988   | \$757,024,745      | \$958,620,130 |
| McLean        | \$5,388,960  | \$9,981,546   | \$26,332,139  | \$871,531   | \$12,609,122    | \$19,859,472       | \$75,042,770  |
| Mercer        | \$3,710,430  | \$21,394,367  | \$17,227,207  | \$435,790   | \$8,306,719     | \$4,475,693        | \$55,550,206  |
| Morton        | \$14,917,587 | \$14,838,051  | \$70,476,137  | \$987,129   | \$11,744,710    | \$2,316,616        | \$115,280,230 |
| Mountrail     | \$7,521,272  | \$31,196,175  | \$24,921,503  | \$595,416   | \$120,254,126   | \$489,671,423      | \$674,159,916 |
| Nelson        | \$2,523,641  | \$25,116,010  | \$8,691,345   | \$673,913   | \$6,502,856     | \$280,000          | \$43,787,765  |
| Oliver        | \$1,214,493  | \$14,773      | \$3,771,195   | \$515,610   | \$3,916,581     | \$203,622          | \$9,636,275   |
| Pembina       | \$5,790,242  | \$29,301,764  | \$24,143,261  | \$493,513   | \$7,330,411     | \$406,886          | \$67,466,077  |
| Pierce        | \$3,144,715  | \$3,135,105   | \$9,402,180   | \$33,340    | \$4,669,540     | \$444,576          | \$20,829,457  |
| Ramsey        | \$6,273,272  | \$56,974,227  | \$32,302,725  | \$425,901   | \$6,887,147     | \$12,787,585       | \$115,650,858 |
| Ransom        | \$3,579,749  | \$2,160,086   | \$15,298,910  | \$1,070,410 | \$5,707,555     | \$14,775,360       | \$42,592,069  |
| Renville      | \$2,049,807  | \$3,132,295   | \$10,147,335  | \$297,214   | \$11,253,406    | \$28,962,660       | \$55,842,717  |
| Richland      | \$11,184,335 | \$7,994,169   | \$38,268,715  | \$420,682   | \$8,834,718     | \$40,409,849       | \$107,112,468 |
| Rolette       | \$1,911,353  | \$-           | \$45,914,774  | \$275,178   | \$5,463,142     | \$300,000          | \$53,864,447  |

| COUNTY       | PROPERTY TAX         | WATER                  | EDUCATION              | OHF                 | TRANSPOR-TATION      | GPT/ONE TIME/OTHER     | TOTAL                  |
|--------------|----------------------|------------------------|------------------------|---------------------|----------------------|------------------------|------------------------|
| Sargent      | \$3,593,610          | \$4,495,414            | \$12,430,127           | \$425,758           | \$7,338,319          | \$300,000              | \$28,583,229           |
| Sheridan     | \$1,096,943          | \$746,338              | \$2,645,422            | \$232,367           | \$4,693,473          | \$281,400              | \$9,695,943            |
| Sioux        | \$386,770            | \$-                    | \$8,739,156            | \$211,891           | \$3,445,685          | \$288,110              | \$13,071,611           |
| Slope        | \$632,719            | \$9,600                | \$152,710              | \$499,875           | \$5,358,237          | \$16,274,667           | \$22,927,809           |
| Stark        | \$19,292,078         | \$68,803,521           | \$58,621,339           | \$2,554,553         | \$45,244,553         | \$333,763,452          | \$528,279,496          |
| Steele       | \$2,761,777          | \$5,413,976            | \$4,622,383            | \$157,515           | \$4,932,986          | \$200,000              | \$18,088,637           |
| Stutsman     | \$12,253,679         | \$27,635,603           | \$44,648,812           | \$1,885,380         | \$12,256,352         | \$653,529              | \$99,333,354           |
| Towner       | \$2,274,940          | \$1,144,134            | \$4,579,217            | \$450,243           | \$4,435,010          | \$320,000              | \$13,203,544           |
| Traill       | \$5,640,750          | \$13,713,797           | \$20,314,253           | \$279,400           | \$7,822,795          | \$16,312,578           | \$64,083,573           |
| Walsh        | \$6,947,437          | \$29,761,118           | \$27,629,007           | \$532,085           | \$12,609,379         | \$400,000              | \$77,879,026           |
| Ward         | \$39,296,054         | \$136,972,604          | \$143,171,226          | \$1,242,049         | \$23,447,801         | \$145,296,297          | \$489,426,031          |
| Wells        | \$3,715,765          | \$904,518              | \$9,404,850            | \$145,642           | \$6,264,759          | \$360,000              | \$20,795,534           |
| Williams     | \$23,037,155         | \$71,849,755           | \$65,119,652           | \$389,200           | \$99,835,331         | \$853,256,559          | \$1,113,487,651        |
| <b>TOTAL</b> | <b>\$440,247,835</b> | <b>\$1,261,866,083</b> | <b>\$1,594,724,293</b> | <b>\$28,774,990</b> | <b>\$878,664,000</b> | <b>\$4,003,074,939</b> | <b>\$8,207,352,141</b> |

### WHERE DOES STATE OIL TAX COME FROM AND WHERE DOES IT GO?



#### PRODUCTION



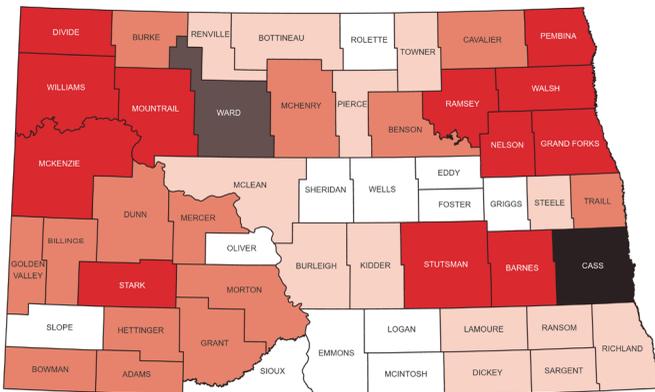
#### DISTRIBUTION



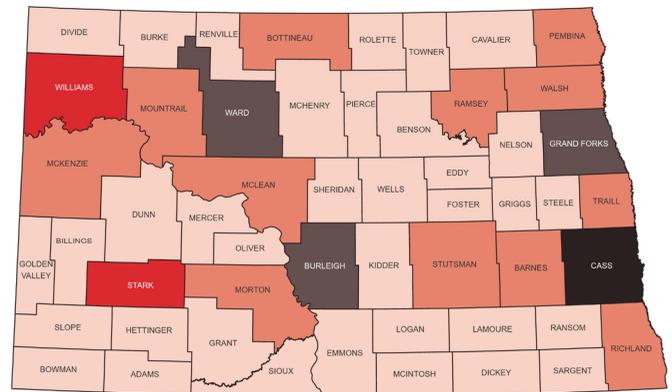
# BENEFITS FOR THE ENTIRE STATE

The oil and gas taxes are deposited into various trust funds that are used to support investments around the state. These funds include the Resource Trust fund for water projects, Common Schools and Foundation Aid Funds that support K-12 education, and the Outdoor Heritage Fund that provides grants for projects that enhance, preserve and expand outdoor recreation and conservation efforts in the state.

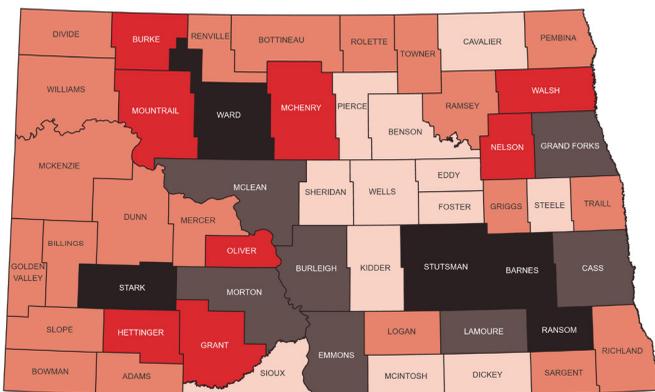
## WATER



## PROPERTY TAX



## OUTDOOR HERITAGE FUND



## SCHOOL FUNDING

