

HOUSE BILL NO. HB0091

Economic diversification incentives for mineral exploration.

Sponsored by: Representative(s) Miller, Burkhart, Flitner, Hallinan, Laursen, Lindholm and Salazar and Senator(s) Bebout

A BILL

for

1 AN ACT relating to taxation and revenue; providing for a
2 severance tax credit for certain mineral exploration as
3 specified; providing procedures; providing for a report;
4 providing for rules and regulations; providing
5 applicability; and providing for an effective date.

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7 *Be It Enacted by the Legislature of the State of Wyoming:*

8

9 **Section 1.** W.S. 39-14-109(d) by creating a new
10 paragraph (iv), 39-14-209(d) by creating a new paragraph
11 (iv), 39-14-309(d) by creating a new paragraph (iv),
12 39-14-409(d) by creating a new paragraphs (iv), 39-14-509(d)
13 by creating a new paragraph (iv), 39-14-609(d) by creating a

1 new paragraph (iv) and 39-14-709(d) by creating a new
2 paragraph (iv) are amended to read:

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4 **39-14-109. Taxpayer remedies.**

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6 (d) Credits. The following shall apply:

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8 (iv) The following shall apply to and constitute
9 a mineral exploration tax credit:

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11 (A) Any person who has paid the tax levied
12 pursuant to W.S. 39-14-103 and who is conducting or funding
13 mineral exploration activities which are performed in this
14 state for the purpose of determining the existence,
15 location, quantity or quality of a locatable or leasable
16 mineral deposit on private or public land may be eligible
17 for a tax credit as provided by this paragraph. The credit
18 shall only be available for any mineral which is currently
19 not being produced in the county in which the exploration
20 activities occur, if the cost of the exploration activities
21 exceed one hundred thousand dollars (\$100,000.00), and all
22 data related to the exploration activity is provided in
23 accordance with this paragraph. Any credit granted pursuant

1 to this paragraph shall not exceed one hundred thousand
2 dollars (\$100,000.00). The mineral exploration activities
3 eligible for the credit shall include:

4

5 (I) Surveying by geophysical or
6 geochemical methods;

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8 (II) Drilling an exploration hole;

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10 (III) Surface trenching and bulk
11 sampling; and

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13 (IV) Performing other exploratory
14 work, including aerial photographs, geological and
15 geophysical logging, sample analysis and metallurgical
16 testing.

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18 (B) A mineral exploration tax credit shall
19 not be allowed under this paragraph for exploration
20 activity which occurs after a mining permit is issued by
21 the Wyoming department of environmental quality for
22 production of the mineral in the county where the
23 exploratory activity occurred;

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(C) Any person wishing to obtain the credit authorized by this paragraph shall submit data and information to the department on an application form and in such manner as approved by the department. The department shall confirm with the Wyoming department of environmental quality that a permit to produce the mineral has not yet been issued. The application shall:

(I) Include a list of expenditures for which the person is seeking credit in a manner approved by the department;

(II) Describe all exploratory activity accomplished during the calendar year covered by the request, the number of employees involved and the names, specialties and number of consultants involved;

(III) Provide a detailed list or ledger of the expenditures and supporting receipts required to complete the exploratory activities described in subdivision (II) of this subparagraph and a list of the types of exploration activity data that resulted from the

1 exploration activity. The receipts required by this
2 subdivision shall be provided to the department for
3 verification. If the department does not object to any of
4 the receipts within seven (7) days, the expenditures shall
5 be deemed to be correct;

6
7 (IV) Provide proof that the
8 expenditures for which credit is sought exceeds one hundred
9 thousand dollars (\$100,000.00) for each exploration project
10 in the calendar year;

11
12 (V) Agree to provide all data
13 generated by the exploratory activities for which credit is
14 sought, even if expenditures are more than one hundred
15 thousand dollars (\$100,000.00). All data shall be tied to
16 the Wyoming state plane coordinate system. Accuracy of the
17 data shall reflect the type of data collected and shall be
18 consistent with industry standards as required by the
19 Wyoming geological survey office;

20
21 (VI) Agree to provide any other
22 information that the department or Wyoming geological

1 survey office by rule and regulation may reasonably
2 require.

3
4 (D) Not more than ninety (90) days
5 following completion and collection of data that is
6 generated from exploratory activities for which credit is
7 sought and not later than December 31 of the year the data
8 was collected, all factual and interpretive data as
9 required by this paragraph shall be submitted to the
10 Wyoming geological survey office. The following shall
11 apply:

12
13 (I) All data shall be examined by the
14 appropriate specialist in the Wyoming geological survey
15 office. Following examination the Wyoming geological survey
16 office shall transmit a letter to the department indicating
17 whether the data provided complies with the requirements of
18 this paragraph. The department shall transmit a letter to
19 the applicant with a copy to the Wyoming geological survey
20 office either approving or denying the request for a tax
21 credit. Any incomplete submission of data shall subject the
22 application to denial;

23

1 (II) Any submitted information shall
2 become the property of the state;

3
4 (III) Any submitted information shall
5 remain confidential until December 31 of the year following
6 the year of the submission;

7
8 (IV) If a person applying for the tax
9 credit fails to timely provide the data required by
10 subparagraph (C) of this paragraph the Wyoming department
11 of environmental quality may withhold approval of an
12 exploration or mining permit sought by the person in the
13 future until the data is properly filed.

14
15 (E) If the application for the tax credit
16 is granted, the person obtaining the credit may apply the
17 credit against any tax due under W.S. 39-14-104(a)(ii) or
18 (b)(ii) in the year following the calendar year in which
19 the application is granted. In no event shall the credit
20 exceed the lesser of:

21
22 (I) Fifty percent (50%) of the
23 person's total tax liability under W.S. 39-14-104(a)(ii) or

1 (b)(ii) for the calendar year following the year in which
2 the application is granted; or

3
4 (II) One hundred thousand dollars
5 (\$100,000.00) for any one (1) calendar year of production.

6
7 (F) The department and the Wyoming
8 geological survey office shall promulgate reasonable rules
9 and regulations for the implementation of this paragraph;

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11 (G) The department and the Wyoming
12 geological survey office shall report jointly on the
13 results of the credit authorized by this paragraph annually
14 on or before November 1 of each year to the governor and
15 the legislature.

16
17 **39-14-209. Taxpayer remedies.**

18
19 (d) Credits. The following shall apply:

20
21 (iv) The following shall apply to and constitute
22 a mineral exploration tax credit:

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1 (A) Any person who has paid the tax levied
2 pursuant to W.S. 39-14-203 and who is conducting or funding
3 mineral exploration activities which are performed in this
4 state for the purpose of determining the existence,
5 location, quantity or quality of a locatable or leasable
6 mineral deposit on private or public land may be eligible
7 for a tax credit as provided by this paragraph. The credit
8 shall only be available for any mineral which is currently
9 not being produced in the county in which the exploration
10 activities occur, if the cost of the exploration activities
11 exceed one hundred thousand dollars (\$100,000.00), and all
12 data related to the exploration activity is provided in
13 accordance with this paragraph. Any credit granted pursuant
14 to this paragraph shall not exceed one hundred thousand
15 dollars (\$100,000.00). The mineral exploration activities
16 eligible for the credit shall include:

17

18 (I) Surveying by geophysical or
19 geochemical methods;

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21 (II) Drilling an exploration hole;

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1 (III) Surface trenching and bulk
2 sampling; and

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4 (IV) Performing other exploratory
5 work, including aerial photographs, geological and
6 geophysical logging, sample analysis and metallurgical
7 testing.

8
9 (B) A mineral exploration tax credit shall
10 not be allowed under this paragraph for exploration
11 activity which occurs after any amounts of oil and gas
12 which must be reported to the Wyoming oil and gas
13 conservation commission have been produced in the county
14 where the exploratory activity occurred;

15
16 (C) Any person wishing to obtain the credit
17 authorized by this paragraph shall submit data and
18 information to the department on an application form and in
19 such manner as approved by the department. The department
20 shall confirm with the Wyoming department of environmental
21 quality that a permit to produce the mineral has not yet
22 been issued. The application shall:

23

1 (I) Include a list of expenditures for
2 which the person is seeking credit in a manner approved by
3 the department;

4
5 (II) Describe all exploratory activity
6 accomplished during the calendar year covered by the
7 request, the number of employees involved and the names,
8 specialties and number of consultants involved;

9
10 (III) Provide a detailed list or
11 ledger of the expenditures and supporting receipts required
12 to complete the exploratory activities described in
13 subdivision (II) of this subparagraph and a list of the
14 types of exploration activity data that resulted from the
15 exploration activity. The receipts required by this
16 subdivision shall be provided to the department for
17 verification. If the department does not object to any of
18 the receipts within seven (7) days, the expenditures shall
19 be deemed to be correct;

20
21 (IV) Provide proof that the
22 expenditures for which credit is sought exceeds one hundred

1 thousand dollars (\$100,000.00) for each exploration project
2 in the calendar year;

3
4 (V) Agree to provide all data
5 generated by the exploratory activities for which credit is
6 sought, even if expenditures are more than one hundred
7 thousand dollars (\$100,000.00). All data shall be tied to
8 the Wyoming state plane coordinate system. Accuracy of the
9 data shall reflect the type of data collected and shall be
10 consistent with industry standards as required by the
11 Wyoming geological survey office;

12
13 (VI) Agree to provide any other
14 information that the department or Wyoming geological
15 survey office by rule and regulation may reasonably
16 require.

17
18 (D) Not more than ninety (90) days
19 following completion and collection of data that is
20 generated from exploratory activities for which credit is
21 sought and not later than December 31 of the year the data
22 was collected, all factual and interpretive data as
23 required by this paragraph shall be submitted to the

1 Wyoming geological survey office. The following shall
2 apply:

3
4 (I) All data shall be examined by the
5 appropriate specialist in the Wyoming geological survey
6 office. Following examination the Wyoming geological survey
7 office shall transmit a letter to the department indicating
8 whether the data provided complies with the requirements of
9 this paragraph. The department shall transmit a letter to
10 the applicant with a copy to the Wyoming geological survey
11 office either approving or denying the request for a tax
12 credit. Any incomplete submission of data shall subject the
13 application to denial;

14
15 (II) Any submitted information shall
16 become the property of the state;

17
18 (III) Any submitted information shall
19 remain confidential until December 31 of the year following
20 the year of the submission;

21
22 (IV) If a person applying for the tax
23 credit fails to timely provide the data required by

1 subparagraph (C) of this paragraph the Wyoming department
2 of environmental quality may withhold approval of an
3 exploration or mining permit sought by the person in the
4 future until the data is properly filed.

5
6 (E) If the application for the tax credit
7 is granted, the person obtaining the credit may apply the
8 credit against any tax due under W.S. 39-14-204(a)(ii) in
9 the year following the calendar year in which the
10 application is granted. In no event shall the credit
11 exceed the lesser of:

12
13 (I) Fifty percent (50%) of the
14 person's total tax liability under W.S. 39-14-204(a)(ii)
15 for the calendar year following the year in which the
16 application is granted; or

17
18 (II) One hundred thousand dollars
19 (\$100,000.00) for any one (1) calendar year of production.

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21 (F) The department and the Wyoming
22 geological survey office shall promulgate reasonable rules
23 and regulations for the implementation of this paragraph;

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39-14-309. Taxpayer remedies.

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(d) Credits. The following shall apply:

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(G) The department and the Wyoming geological survey office shall report jointly on the results of the credit authorized by this paragraph annually on or before November 1 of each year to the governor and the legislature.

(iv) The following shall apply to and constitute a mineral exploration tax credit:

(A) Any person who has paid the tax levied pursuant to W.S. 39-14-303 and who is conducting or funding mineral exploration activities which are performed in this state for the purpose of determining the existence, location, quantity or quality of a locatable or leasable mineral deposit on private or public land may be eligible for a tax credit as provided by this paragraph. The credit shall only be available for any mineral which is currently not being produced in the county in which the exploration

1 activities occur, if the cost of the exploration activities
2 exceed one hundred thousand dollars (\$100,000.00), and all
3 data related to the exploration activity is provided in
4 accordance with this paragraph. Any credit granted pursuant
5 to this paragraph shall not exceed one hundred thousand
6 dollars (\$100,000.00). The mineral exploration activities
7 eligible for the credit shall include:

8
9 (I) Surveying by geophysical or
10 geochemical methods;

11
12 (II) Drilling an exploration hole;

13
14 (III) Surface trenching and bulk
15 sampling; and

16
17 (IV) Performing other exploratory
18 work, including aerial photographs, geological and
19 geophysical logging, sample analysis and metallurgical
20 testing.

21
22 (B) A mineral exploration tax credit shall
23 not be allowed under this paragraph for exploration

1 activity which occurs after a mining permit is issued by
2 the Wyoming department of environmental quality for
3 production of the mineral in the county where the
4 exploratory activity occurred;

5
6 (C) Any person wishing to obtain the credit
7 authorized by this paragraph shall submit data and
8 information to the department on an application form and in
9 such manner as approved by the department. The department
10 shall confirm with the Wyoming department of environmental
11 quality that a permit to produce the mineral has not yet
12 been issued. The application shall:

13
14 (I) Include a list of expenditures for
15 which the person is seeking credit in a manner approved by
16 the department;

17
18 (II) Describe all exploratory activity
19 accomplished during the calendar year covered by the
20 request, the number of employees involved and the names,
21 specialties and number of consultants involved;

22

1 (III) Provide a detailed list or
2 ledger of the expenditures and supporting receipts required
3 to complete the exploratory activities described in
4 subdivision (II) of this subparagraph and a list of the
5 types of exploration activity data that resulted from the
6 exploration activity. The receipts required by this
7 subdivision shall be provided to the department for
8 verification. If the department does not object to any of
9 the receipts within seven (7) days, the expenditures shall
10 be deemed to be correct;

11

12 (IV) Provide proof that the
13 expenditures for which credit is sought exceeds one hundred
14 thousand dollars (\$100,000.00) for each exploration project
15 in the calendar year;

16

17 (V) Agree to provide all data
18 generated by the exploratory activities for which credit is
19 sought, even if expenditures are more than one hundred
20 thousand dollars (\$100,000.00). All data shall be tied to
21 the Wyoming state plane coordinate system. Accuracy of the
22 data shall reflect the type of data collected and shall be

1 consistent with industry standards as required by the
2 Wyoming geological survey office;

3
4 (VI) Agree to provide any other
5 information that the department or Wyoming geological
6 survey office by rule and regulation may reasonably
7 require.

8
9 (D) Not more than ninety (90) days
10 following completion and collection of data that is
11 generated from exploratory activities for which credit is
12 sought and not later than December 31 of the year the data
13 was collected, all factual and interpretive data as
14 required by this paragraph shall be submitted to the
15 Wyoming geological survey office. The following shall
16 apply:

17
18 (I) All data shall be examined by the
19 appropriate specialist in the Wyoming geological survey
20 office. Following examination the Wyoming geological survey
21 office shall transmit a letter to the department indicating
22 whether the data provided complies with the requirements of
23 this paragraph. The department shall transmit a letter to

1 the applicant with a copy to the Wyoming geological survey
2 office either approving or denying the request for a tax
3 credit. Any incomplete submission of data shall subject the
4 application to denial;

5

6 (II) Any submitted information shall
7 become the property of the state;

8

9 (III) Any submitted information shall
10 remain confidential until December 31 of the year following
11 the year of the submission;

12

13 (IV) If a person applying for the tax
14 credit fails to timely provide the data required by
15 subparagraph (C) of this paragraph the Wyoming department
16 of environmental quality may withhold approval of an
17 exploration or mining permit sought by the person in the
18 future until the data is properly filed.

19

20 (E) If the application for the tax credit
21 is granted, the person obtaining the credit may apply the
22 credit against any tax due under W.S. 39-14-304(a)(ii) in
23 the year following the calendar year in which the

1 application is granted. In no event shall the credit
2 exceed the lesser of:

3
4 (I) Fifty percent (50%) of the
5 person's total tax liability under W.S. 39-14-304(a)(ii)
6 for the calendar year following the year in which the
7 application is granted; or

8
9 (II) One hundred thousand dollars
10 (\$100,000.00) for any one (1) calendar year of production.

11
12 (F) The department and the Wyoming
13 geological survey office shall promulgate reasonable rules
14 and regulations for the implementation of this paragraph;

15
16 (G) The department and the Wyoming
17 geological survey office shall report jointly on the
18 results of the credit authorized by this paragraph annually
19 on or before November 1 of each year to the governor and
20 the legislature.

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22 **39-14-409. Taxpayer remedies.**

23

1 (d) Credits. The following shall apply:

2

3 (iv) The following shall apply to and constitute
4 a mineral exploration tax credit:

5

6 (A) Any person who has paid the tax levied
7 pursuant to W.S. 39-14-403 and who is conducting or funding
8 mineral exploration activities which are performed in this
9 state for the purpose of determining the existence,
10 location, quantity or quality of a locatable or leasable
11 mineral deposit on private or public land may be eligible
12 for a tax credit as provided by this paragraph. The credit
13 shall only be available for any mineral which is currently
14 not being produced in the county in which the exploration
15 activities occur, if the cost of the exploration activities
16 exceed one hundred thousand dollars (\$100,000.00), and all
17 data related to the exploration activity is provided in
18 accordance with this paragraph. Any credit granted pursuant
19 to this paragraph shall not exceed one hundred thousand
20 dollars (\$100,000.00). The mineral exploration activities
21 eligible for the credit shall include:

22

1 (I) Surveying by geophysical or
2 geochemical methods;

3
4 (II) Drilling an exploration hole;

5
6 (III) Surface trenching and bulk
7 sampling; and

8
9 (IV) Performing other exploratory
10 work, including aerial photographs, geological and
11 geophysical logging, sample analysis and metallurgical
12 testing.

13
14 (B) A mineral exploration tax credit shall
15 not be allowed under this paragraph for exploration
16 activity which occurs after a mining permit is issued by
17 the Wyoming department of environmental quality for
18 production of the mineral in the county where the
19 exploratory activity occurred;

20
21 (C) Any person wishing to obtain the credit
22 authorized by this paragraph shall submit data and
23 information to the department on an application form and in

1 such manner as approved by the department. The department
2 shall confirm with the Wyoming department of environmental
3 quality that a permit to produce the mineral has not yet
4 been issued. The application shall:

5
6 (I) Include a list of expenditures for
7 which the person is seeking credit in a manner approved by
8 the department;

9
10 (II) Describe all exploratory activity
11 accomplished during the calendar year covered by the
12 request, the number of employees involved and the names,
13 specialties and number of consultants involved;

14
15 (III) Provide a detailed list or
16 ledger of the expenditures and supporting receipts required
17 to complete the exploratory activities described in
18 subdivision (II) of this subparagraph and a list of the
19 types of exploration activity data that resulted from the
20 exploration activity. The receipts required by this
21 subdivision shall be provided to the department for
22 verification. If the department does not object to any of

1 the receipts within seven (7) days, the expenditures shall
2 be deemed to be correct;

3

4 (IV) Provide proof that the
5 expenditures for which credit is sought exceeds one hundred
6 thousand dollars (\$100,000.00) for each exploration project
7 in the calendar year;

8

9 (V) Agree to provide all data
10 generated by the exploratory activities for which credit is
11 sought, even if expenditures are more than one hundred
12 thousand dollars (\$100,000.00). All data shall be tied to
13 the Wyoming state plane coordinate system. Accuracy of the
14 data shall reflect the type of data collected and shall be
15 consistent with industry standards as required by the
16 Wyoming geological survey office;

17

18 (VI) Agree to provide any other
19 information that the department or Wyoming geological
20 survey office by rule and regulation may reasonably
21 require.

22

1 (D) Not more than ninety (90) days
2 following completion and collection of data that is
3 generated from exploratory activities for which credit is
4 sought and not later than December 31 of the year the data
5 was collected, all factual and interpretive data as
6 required by this paragraph shall be submitted to the
7 Wyoming geological survey office. The following shall
8 apply:

9
10 (I) All data shall be examined by the
11 appropriate specialist in the Wyoming geological survey
12 office. Following examination the Wyoming geological survey
13 office shall transmit a letter to the department indicating
14 whether the data provided complies with the requirements of
15 this paragraph. The department shall transmit a letter to
16 the applicant with a copy to the Wyoming geological survey
17 office either approving or denying the request for a tax
18 credit. Any incomplete submission of data shall subject the
19 application to denial;

20
21 (II) Any submitted information shall
22 become the property of the state;

23

1 (III) Any submitted information shall
2 remain confidential until December 31 of the year following
3 the year of the submission;

4
5 (IV) If a person applying for the tax
6 credit fails to timely provide the data required by
7 subparagraph (C) of this paragraph the Wyoming department
8 of environmental quality may withhold approval of an
9 exploration or mining permit sought by the person in the
10 future until the data is properly filed.

11
12 (E) If the application for the tax credit
13 is granted, the person obtaining the credit may apply the
14 credit against any tax due under W.S. 39-14-404 in the year
15 following the calendar year in which the application is
16 granted. In no event shall the credit exceed the lesser
17 of:

18
19 (I) Fifty percent (50%) of the
20 person's total tax liability under W.S. 39-14-404 for the
21 calendar year following the year in which the application
22 is granted; or

23

1 (II) One hundred thousand dollars
2 (\$100,000.00) for any one (1) calendar year of production.

3
4 (F) The department and the Wyoming
5 geological survey office shall promulgate reasonable rules
6 and regulations for the implementation of this paragraph;

7
8 (G) The department and the Wyoming
9 geological survey office shall report jointly on the
10 results of the credit authorized by this paragraph annually
11 on or before November 1 of each year to the governor and
12 the legislature.

13
14 **39-14-509. Taxpayer remedies.**

15
16 (d) Credits. The following shall apply:

17
18 (iv) The following shall apply to and constitute
19 a mineral exploration tax credit:

20
21 (A) Any person who has paid the tax levied
22 pursuant to W.S. 39-14-503 and who is conducting or funding
23 mineral exploration activities which are performed in this

1 state for the purpose of determining the existence,
2 location, quantity or quality of a locatable or leasable
3 mineral deposit on private or public land may be eligible
4 for a tax credit as provided by this paragraph. The credit
5 shall only be available for any mineral which is currently
6 not being produced in the county in which the exploration
7 activities occur, if the cost of the exploration activities
8 exceed one hundred thousand dollars (\$100,000.00), and all
9 data related to the exploration activity is provided in
10 accordance with this paragraph. Any credit granted pursuant
11 to this paragraph shall not exceed one hundred thousand
12 dollars (\$100,000.00). The mineral exploration activities
13 eligible for the credit shall include:

14

15 (I) Surveying by geophysical or
16 geochemical methods;

17

18 (II) Drilling an exploration hole;

19

20 (III) Surface trenching and bulk
21 sampling; and

22

1 (IV) Performing other exploratory
2 work, including aerial photographs, geological and
3 geophysical logging, sample analysis and metallurgical
4 testing.

5
6 (B) A mineral exploration tax credit shall
7 not be allowed under this paragraph for exploration
8 activity which occurs after a mining permit is issued by
9 the Wyoming department of environmental quality for
10 production of the mineral in the county where the
11 exploratory activity occurred;

12
13 (C) Any person wishing to obtain the credit
14 authorized by this paragraph shall submit data and
15 information to the department on an application form and in
16 such manner as approved by the department. The department
17 shall confirm with the Wyoming department of environmental
18 quality that a permit to produce the mineral has not yet
19 been issued. The application shall:

20
21 (I) Include a list of expenditures for
22 which the person is seeking credit in a manner approved by
23 the department;

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(II) Describe all exploratory activity accomplished during the calendar year covered by the request, the number of employees involved and the names, specialties and number of consultants involved;

(III) Provide a detailed list or ledger of the expenditures and supporting receipts required to complete the exploratory activities described in subdivision (II) of this subparagraph and a list of the types of exploration activity data that resulted from the exploration activity. The receipts required by this subdivision shall be provided to the department for verification. If the department does not object to any of the receipts within seven (7) days, the expenditures shall be deemed to be correct;

(IV) Provide proof that the expenditures for which credit is sought exceeds one hundred thousand dollars (\$100,000.00) for each exploration project in the calendar year;

1 (V) Agree to provide all data
2 generated by the exploratory activities for which credit is
3 sought, even if expenditures are more than one hundred
4 thousand dollars (\$100,000.00). All data shall be tied to
5 the Wyoming state plane coordinate system. Accuracy of the
6 data shall reflect the type of data collected and shall be
7 consistent with industry standards as required by the
8 Wyoming geological survey office;

9
10 (VI) Agree to provide any other
11 information that the department or Wyoming geological
12 survey office by rule and regulation may reasonably
13 require.

14
15 (D) Not more than ninety (90) days
16 following completion and collection of data that is
17 generated from exploratory activities for which credit is
18 sought and not later than December 31 of the year the data
19 was collected, all factual and interpretive data as
20 required by this paragraph shall be submitted to the
21 Wyoming geological survey office. The following shall
22 apply:

23

1 (I) All data shall be examined by the
2 appropriate specialist in the Wyoming geological survey
3 office. Following examination the Wyoming geological survey
4 office shall transmit a letter to the department indicating
5 whether the data provided complies with the requirements of
6 this paragraph. The department shall transmit a letter to
7 the applicant with a copy to the Wyoming geological survey
8 office either approving or denying the request for a tax
9 credit. Any incomplete submission of data shall subject the
10 application to denial;

11

12 (II) Any submitted information shall
13 become the property of the state;

14

15 (III) Any submitted information shall
16 remain confidential until December 31 of the year following
17 the year of the submission;

18

19 (IV) If a person applying for the tax
20 credit fails to timely provide the data required by
21 subparagraph (C) of this paragraph the Wyoming department
22 of environmental quality may withhold approval of an

1 exploration or mining permit sought by the person in the
2 future until the data is properly filed.

3

4 (E) If the application for the tax credit
5 is granted, the person obtaining the credit may apply the
6 credit against any tax due under W.S. 39-14-504(a)(ii) in
7 the year following the calendar year in which the
8 application is granted. In no event shall the credit
9 exceed the lesser of:

10

11 (I) Fifty percent (50%) of the
12 person's total tax liability under W.S. 39-14-504(a)(ii)
13 for the calendar year following the year in which the
14 application is granted; or

15

16 (II) One hundred thousand dollars
17 (\$100,000.00) for any one (1) calendar year of production.

18

19 (F) The department and the Wyoming
20 geological survey office shall promulgate reasonable rules
21 and regulations for the implementation of this paragraph;

22

1 (G) The department and the Wyoming
2 geological survey office shall report jointly on the
3 results of the credit authorized by this paragraph annually
4 on or before November 1 of each year to the governor and
5 the legislature.

6
7 **39-14-609. Taxpayer remedies.**

8
9 (d) Credits. The following shall apply:

10
11 (iv) The following shall apply to and constitute
12 a mineral exploration tax credit:

13
14 (A) Any person who has paid the tax levied
15 pursuant to W.S. 39-14-603 and who is conducting or funding
16 mineral exploration activities which are performed in this
17 state for the purpose of determining the existence,
18 location, quantity or quality of a locatable or leasable
19 mineral deposit on private or public land may be eligible
20 for a tax credit as provided by this paragraph. The credit
21 shall only be available for any mineral which is currently
22 not being produced in the county in which the exploration
23 activities occur, if the cost of the exploration activities

1 exceed one hundred thousand dollars (\$100,000.00), and all
2 data related to the exploration activity is provided in
3 accordance with this paragraph. Any credit granted pursuant
4 to this paragraph shall not exceed one hundred thousand
5 dollars (\$100,000.00). The mineral exploration activities
6 eligible for the credit shall include:

7
8 (I) Surveying by geophysical or
9 geochemical methods;

10
11 (II) Drilling an exploration hole;

12
13 (III) Surface trenching and bulk
14 sampling; and

15
16 (IV) Performing other exploratory
17 work, including aerial photographs, geological and
18 geophysical logging, sample analysis and metallurgical
19 testing.

20
21 (B) A mineral exploration tax credit shall
22 not be allowed under this paragraph for exploration
23 activity which occurs after a mining permit is issued by

1 the Wyoming department of environmental quality for
2 production of the mineral in the county where the
3 exploratory activity occurred;

4
5 (C) Any person wishing to obtain the credit
6 authorized by this paragraph shall submit data and
7 information to the department on an application form and in
8 such manner as approved by the department. The department
9 shall confirm with the Wyoming department of environmental
10 quality that a permit to produce the mineral has not yet
11 been issued. The application shall:

12
13 (I) Include a list of expenditures for
14 which the person is seeking credit in a manner approved by
15 the department;

16
17 (II) Describe all exploratory activity
18 accomplished during the calendar year covered by the
19 request, the number of employees involved and the names,
20 specialties and number of consultants involved;

21
22 (III) Provide a detailed list or
23 ledger of the expenditures and supporting receipts required

1 to complete the exploratory activities described in
2 subdivision (II) of this subparagraph and a list of the
3 types of exploration activity data that resulted from the
4 exploration activity. The receipts required by this
5 subdivision shall be provided to the department for
6 verification. If the department does not object to any of
7 the receipts within seven (7) days, the expenditures shall
8 be deemed to be correct;

9
10 (IV) Provide proof that the
11 expenditures for which credit is sought exceeds one hundred
12 thousand dollars (\$100,000.00) for each exploration project
13 in the calendar year;

14
15 (V) Agree to provide all data
16 generated by the exploratory activities for which credit is
17 sought, even if expenditures are more than one hundred
18 thousand dollars (\$100,000.00). All data shall be tied to
19 the Wyoming state plane coordinate system. Accuracy of the
20 data shall reflect the type of data collected and shall be
21 consistent with industry standards as required by the
22 Wyoming geological survey office;

23

1 (VI) Agree to provide any other
2 information that the department or Wyoming geological
3 survey office by rule and regulation may reasonably
4 require.

5
6 (D) Not more than ninety (90) days
7 following completion and collection of data that is
8 generated from exploratory activities for which credit is
9 sought and not later than December 31 of the year the data
10 was collected, all factual and interpretive data as
11 required by this paragraph shall be submitted to the
12 Wyoming geological survey office. The following shall
13 apply:

14
15 (I) All data shall be examined by the
16 appropriate specialist in the Wyoming geological survey
17 office. Following examination the Wyoming geological survey
18 office shall transmit a letter to the department indicating
19 whether the data provided complies with the requirements of
20 this paragraph. The department shall transmit a letter to
21 the applicant with a copy to the Wyoming geological survey
22 office either approving or denying the request for a tax

1 credit. Any incomplete submission of data shall subject the
2 application to denial;

3
4 (II) Any submitted information shall
5 become the property of the state;

6
7 (III) Any submitted information shall
8 remain confidential until December 31 of the year following
9 the year of the submission;

10
11 (IV) If a person applying for the tax
12 credit fails to timely provide the data required by
13 subparagraph (C) of this paragraph the Wyoming department
14 of environmental quality may withhold approval of an
15 exploration or mining permit sought by the person in the
16 future until the data is properly filed.

17
18 (E) If the application for the tax credit
19 is granted, the person obtaining the credit may apply the
20 credit against any tax due under W.S. 39-14-604 in the year
21 following the calendar year in which the application is
22 granted. In no event shall the credit exceed the lesser
23 of:

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(I) Fifty percent (50%) of the person's total tax liability under W.S. 39-14-604 for the calendar year following the year in which the application is granted; or

(II) One hundred thousand dollars (\$100,000.00) for any one (1) calendar year of production.

(F) The department and the Wyoming geological survey office shall promulgate reasonable rules and regulations for the implementation of this paragraph;

(G) The department and the Wyoming geological survey office shall report jointly on the results of the credit authorized by this paragraph annually on or before November 1 of each year to the governor and the legislature.

39-14-709. Taxpayer remedies.

(d) Credits. The following shall apply:

1 (iv) The following shall apply to and constitute
2 a mineral exploration tax credit:

3
4 (A) Any person who has paid the tax levied
5 pursuant to W.S. 39-14-703 and who is conducting or funding
6 mineral exploration activities which are performed in this
7 state for the purpose of determining the existence,
8 location, quantity or quality of a locatable or leasable
9 mineral deposit on private or public land may be eligible
10 for a tax credit as provided by this paragraph. The credit
11 shall only be available for any mineral which is currently
12 not being produced in the county in which the exploration
13 activities occur, if the cost of the exploration activities
14 exceed one hundred thousand dollars (\$100,000.00), and all
15 data related to the exploration activity is provided in
16 accordance with this paragraph. Any credit granted pursuant
17 to this paragraph shall not exceed one hundred thousand
18 dollars (\$100,000.00). The mineral exploration activities
19 eligible for the credit shall include:

20
21 (I) Surveying by geophysical or
22 geochemical methods;

23

1 (II) Drilling an exploration hole;

2

3 (III) Surface trenching and bulk
4 sampling; and

5

6 (IV) Performing other exploratory
7 work, including aerial photographs, geological and
8 geophysical logging, sample analysis and metallurgical
9 testing.

10

11 (B) A mineral exploration tax credit shall
12 not be allowed under this paragraph for exploration
13 activity which occurs after a mining permit is issued by
14 the Wyoming department of environmental quality for
15 production of the mineral in the county where the
16 exploratory activity occurred;

17

18 (C) Any person wishing to obtain the credit
19 authorized by this paragraph shall submit data and
20 information to the department on an application form and in
21 such manner as approved by the department. The department
22 shall confirm with the Wyoming department of environmental

1 quality that a permit to produce the mineral has not yet
2 been issued. The application shall:

3

4 (I) Include a list of expenditures for
5 which the person is seeking credit in a manner approved by
6 the department;

7

8 (II) Describe all exploratory activity
9 accomplished during the calendar year covered by the
10 request, the number of employees involved and the names,
11 specialties and number of consultants involved;

12

13 (III) Provide a detailed list or
14 ledger of the expenditures and supporting receipts required
15 to complete the exploratory activities described in
16 subdivision (II) of this subparagraph and a list of the
17 types of exploration activity data that resulted from the
18 exploration activity. The receipts required by this
19 subdivision shall be provided to the department for
20 verification. If the department does not object to any of
21 the receipts within seven (7) days, the expenditures shall
22 be deemed to be correct;

23

1 (IV) Provide proof that the
2 expenditures for which credit is sought exceeds one hundred
3 thousand dollars (\$100,000.00) for each exploration project
4 in the calendar year;

5
6 (V) Agree to provide all data
7 generated by the exploratory activities for which credit is
8 sought, even if expenditures are more than one hundred
9 thousand dollars (\$100,000.00). All data shall be tied to
10 the Wyoming state plane coordinate system. Accuracy of the
11 data shall reflect the type of data collected and shall be
12 consistent with industry standards as required by the
13 Wyoming geological survey office;

14
15 (VI) Agree to provide any other
16 information that the department or Wyoming geological
17 survey office by rule and regulation may reasonably
18 require.

19
20 (D) Not more than ninety (90) days
21 following completion and collection of data that is
22 generated from exploratory activities for which credit is
23 sought and not later than December 31 of the year the data

1 was collected, all factual and interpretive data as
2 required by this paragraph shall be submitted to the
3 Wyoming geological survey office. The following shall
4 apply:

5
6 (I) All data shall be examined by the
7 appropriate specialist in the Wyoming geological survey
8 office. Following examination the Wyoming geological survey
9 office shall transmit a letter to the department indicating
10 whether the data provided complies with the requirements of
11 this paragraph. The department shall transmit a letter to
12 the applicant with a copy to the Wyoming geological survey
13 office either approving or denying the request for a tax
14 credit. Any incomplete submission of data shall subject the
15 application to denial;

16
17 (II) Any submitted information shall
18 become the property of the state;

19
20 (III) Any submitted information shall
21 remain confidential until December 31 of the year following
22 the year of the submission;

23

1 (IV) If a person applying for the tax
2 credit fails to timely provide the data required by
3 subparagraph (C) of this paragraph the Wyoming department
4 of environmental quality may withhold approval of an
5 exploration or mining permit sought by the person in the
6 future until the data is properly filed.

7
8
9 (E) If the application for the tax credit
10 is granted, the person obtaining the credit may apply the
11 credit against any tax due under W.S. 39-14-704 in the year
12 following the calendar year in which the application is
13 granted. In no event shall the credit exceed the lesser
14 of:

15
16 (I) Fifty percent (50%) of the
17 person's total tax liability under W.S. 39-14-704 for the
18 calendar year following the year in which the application
19 is granted; or

20
21 (II) One hundred thousand dollars
22 (\$100,000.00) for any one (1) calendar year of production.

23

1 (F) The department and the Wyoming
2 geological survey office shall promulgate reasonable rules
3 and regulations for the implementation of this paragraph;

4

5 (G) The department and the Wyoming
6 geological survey office shall report jointly on the
7 results of the credit authorized by this paragraph annually
8 on or before November 1 of each year to the governor and
9 the legislature.

10

11 **Section 2.** This act shall apply prospectively to
12 mineral exploration activities commencing after July 1,
13 2020.

14

15 **Section 3.** This act is effective July 1, 2020.

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(END)