

CHAPTER 847 - 1985 LEGISLATION

NATURAL GAS USED BY LANDOWNER OF GAS WELL SITE

Chapter 847 of the Laws of 1985 has added a new paragraph 24 to section 1115(a) of the Tax Law, effective September 1, 1985.

This paragraph provides an exemption from sales and use tax for natural gas furnished to the landowner of a natural gas well site when all the following conditions are met:

- (1) The natural gas is used or consumed for the landowner's personal residence and is: (a) from a well located on property owned by such landowner (even if the well-site and residence are not on the same piece of property), or (b) provided in exchange for the gas from a natural gas well located on property owned by such landowner;

and

- (2) the gas, pursuant to the lease between the owner and the lessee of the property, has been set aside for the property owner's use.