



GAS TAX RATE NOTICE

TO: North Dakota Gas Producers and Purchasers
FROM: North Dakota Office of State Tax Commissioner
SUBJECT: Notification of Gas Tax Rate for Fiscal Year 2025
DATE: June 1, 2024

In keeping with the provisions of North Dakota Century Code (N.D.C.C.) § 57-51-02.2, the Tax Commissioner has determined that the gas tax rate for the fiscal year beginning July 1, 2024, through June 30, 2025 is \$.0646 per mcf. The gross production tax on gas produced during this time period must be calculated by taking the taxable production in mcf times the \$.0646 tax rate.

For your information, the gas tax rate for fiscal year 2025 was determined by the following steps:

STEP 1 - The annual average of the gas fuels producer price index, commodity code 05-3, as published by the U.S. Department of Labor, Bureau of Labor Statistics, for calendar year 2023 was computed from the data shown below.

January	211.539
February	150.266
March	119.299
April	101.192
May	92.296
June	91.259
July	113.385
August	115.450
September	118.015
October	115.305
November	119.798
December	<u>119.624</u>
Annual Average	122.290

STEP 2 - A gas base rate adjustment of 1.6155 was computed by dividing the annual average price index by the denominator specified in statute, i.e., 122.290 divided by 75.7.

STEP 3 - The gas tax rate of \$.0646 was computed by multiplying \$.04 times the gas base rate adjustment of 1.6155, with the resultant rounded to four places after the decimal.

The gas tax rate is published on the Office of State Tax Commissioner's website at www.tax.nd.gov/OilGas. If you have any questions regarding this notification, please contact the Oil and Gas Tax Section at 701-328-2705 or oiltax@nd.gov.