

gas or other gas taken from the earth or waters in Garrett County, providing FOR THE APPORTIONMENT OF SAID TAX AND PROVIDING penalties for the violation thereof and for the disposition of the receipts from said tax.

SECTION 1. *Be it enacted by the General Assembly of Maryland,* That ten new sections be and they are hereby added to Article 12 of the Code of Public Local Laws of Maryland (1930 Edition), title "Garrett County", to be under subtitle "Natural Gas", said new sections to be known as Sections 302A to 302J, inclusive, to follow immediately after Section 302 of said Article, and to read as follows:

302A. (DISTRIBUTION AND PRODUCTION TAX)  
(1) THERE IS HEREBY LEVIED A DISTRIBUTION AND PRODUCTION TAX ON THE BUSINESS OR OCCUPATION OF COLLECTING, DISTRIBUTING AND PRODUCING NATURAL GAS OR OTHER GAS TAKEN FROM THE EARTH IN GARRETT COUNTY COMPUTED AS FOLLOWS:

A TAX SHALL BE PAID ON THE GAS PRODUCED AND SAVED FOR COMMERCIAL PURPOSES WITHIN GARRETT COUNTY, ACCOUNTING FROM JANUARY 1, 1951, EQUIVALENT TO SEVEN PER CENT (7%) OF THE WHOLESALE MARKET VALUE THEREOF AS AND WHEN PRODUCED; PROVIDED THAT THE AMOUNT OF SUCH TAX SHALL NEVER BE LESS THAN 11/150 OF ONE PER CENT PER ONE THOUSAND (1,000) CUBIC FEET.

IN CALCULATING THE TAX HEREIN LEVIED, THERE SHALL BE EXCLUDED: (A) GAS INJECTED INTO A NATURAL OIL OR GAS BEARING RESERVOIR IN GARRETT COUNTY, UNLESS SOLD FOR SUCH PURPOSE; (B) GAS PRODUCED FROM OIL WELLS WITH OIL AND LAWFULLY VENTED OR FLARED; AND (C) GAS USED FOR LIFTING OIL, UNLESS SOLD FOR SUCH PURPOSE.

(2) THE MARKET VALUE OF GAS PRODUCED IN GARRETT COUNTY SHALL BE THE VALUE THEREOF AT THE MOUTH OF THE WELL; HOWEVER, IN CASE GAS IS SOLD FOR CASH ONLY, THE TAX SHALL BE COMPUTED ON THE PRODUCER'S GROSS CASH RECEIPTS. IN ALL CASES WHERE THE WHOLE OR A PART OF THE CONSIDERATION FOR THE SALE OF GAS IS A PORTION OF THE PRODUCTS EXTRACTED FROM THE PRODUCER'S