

FOR IMMEDIATE RELEASE

OKOGA opposes 5 percent GPT budget plan

OKLAHOMA CITY (March 26, 2018) – The Oklahoma Oil and Gas Association (OKOGA) announced its firm and complete opposition to the inclusion of a 5 percent gross production tax (GPT) in any state budget deal today.

“Our previous support of a 4 percent GPT increase on new wells was completely incumbent upon the approval of a broad-based revenue package. We do not endorse a plan that will continue Oklahoma’s over-reliance and unsustainable dependence on a single industry for financial stability; put Oklahoma families out of work; and add to the state’s social services burden,” OKOGA President Chad Warmington said. “We have zero confidence today’s state leaders will act any more responsibly than those of the past who enacted massive tax increases with promises to fix education and other vital services. Revenue generated as a result of doubling the industry’s GPT was supposed to fully fund our education system and yet here we are again, following HB1017, tribal gaming and the education lottery—leaving the state more dependent than ever on the volatile tax revenue from our industry. In addition, it is well acknowledged that waste, fraud and abuse abound in many departments. We believe it is time for our state leaders to get their own house in order.”

Warmington said OKOGA will always vigorously oppose fiscal irresponsibility, especially when those decisions could cost thousands of hard working Oklahomans their jobs.

“The last industry downturn cost more than 20,000 Oklahomans their livelihoods. Our state simply cannot afford another recession, especially one engineered by our state leaders,” Warmington said. “If the current leaders do not listen, we will be taking this message to the people of Oklahoma who have consistently opposed massive tax increases on any industry, and who will demand their elected officials lead and budget responsibly.”

Warmington said current budget plans circulating at the Capitol continue a legacy of poor decision-making.

“The reality is oversight, efficiency and reducing waste and fraud should be the focus at the Capitol and are the keys to sustained fiscal stability in Oklahoma,” Warmington said.

About the Oklahoma Oil and Gas Association

The Oklahoma Oil & Gas Association (OKOGA), founded in 1919, is the oldest energy trade association in the United States. Nearly a century later, the association remains dedicated to the advancement and improvement of the oil and natural gas industry within the state of Oklahoma and throughout the nation. It is a non-profit association composed of oil and gas producers, operators, purchasers, pipelines, transporters, processors, refiners, marketers and service companies which represent a substantial sector of the oil and natural gas industry within Oklahoma. The activities of OKOGA include support for legislative and regulatory measures designed to promote both the well-being and best interests of the citizens of this state and a strong and vital petroleum industry within the State of Oklahoma and throughout the United States.

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