



FACT CHECK: Drew Edmondson's Fuzzy Math on Oklahoma Energy

Gubernatorial candidate Drew Edmondson desperately wants to raise taxes in Oklahoma. Here are the facts.

- ✗ Drew [says](#) "[oil and gas] can pay their fair share."
- ✓ Oklahoma's energy industry has been the **state's largest tax payer** for decades, and from 2016 to 2018, the Legislature enacted **more than \$600 million in new taxes**. Over the past decade, the industry generated \$2.11 billion in direct educational funding. Accounting for **25% of all taxes paid** to the state, funding from the oil and natural gas industry is dispersed to nearly every school district in the state.
- ✗ Drew [says](#) a 7% gross production tax "will be one of, if not the lowest [in the nation]."
- ✓ A 2018 economic study shows Oklahoma's effective tax rate for 2019 is approximately 13% - which is the **third highest among energy producing states** in the nation. Texas's effective tax rate is 12% and North Dakota's is 10.4%.
- ✗ Drew [says](#) "we are dreaming if they think more revenue is not the answer."
- ✓ Oklahoma needs taxpayers, and tax provisions that encourage oil and gas development keep Oklahomans working. Tying even more of our state's budget to commodity prices is **not a path toward a brighter future** in Oklahoma.

Oklahoma Tax Hikes on Oil & Gas: A Brief History

*Drew Edmondson would have you believe we're just a tax hike away from fiscal responsibility in Oklahoma. In reality, the state has **raised taxes four times on oil and gas** since 2015...and our budget picture has only gotten worse.*

- **2015:** Lawmakers [increased taxes](#) on enhanced production and three-dimensional seismic surveys.
- **2016:** Oklahoma faced another budget shortfall, and the legislature [raised taxes on oil and gas](#) by an additional \$120 million.
- **2017:** The Oklahoma legislature [increased the tax rate](#) on horizontal wells by 300%; three months later, lawmakers [nearly doubled it again](#).
- **2018:** The legislature [increased the tax rate](#) on new producing wells by 300%.

As the past three years have shown, raising taxes on Oklahoma's largest employer is not the answer to our budget woes.