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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 2027
Date: June 1, 2026

In keeping with the provisions of North Dakota Century Code (N.D.C.C.) § 57-51-02.2, the North Dakota Office of State Tax Commissioner has determined that the gas tax rate for the fiscal year beginning July 1, 2026, through June 30, 2027, is \$.0655 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 \$.0655 tax rate.

For your information, the gas tax rate for fiscal year 2027 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 2025 was computed from the data shown below:

January	158.073
February	147.146
March	141.379
April	127.606
May	111.685
June	113.778
July	114.620
August	107.214
September	102.338
October	98.828
November	116.795
December	<u>147.905</u>
Annual Average	123.950

STEP 2 - A gas base rate adjustment of 1.6374 was computed by dividing the annual average price index by the denominator specified in statute, i.e., 123.950 divided by 75.7.

STEP 3 - The gas tax rate of \$.0655 was computed by multiplying \$.04 times the gas base rate adjustment of 1.6374, 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.