



CHAPTER 105
ARTICLE 51 - SEVERANCE TAX

N.C.G.S. § 105-187.76.

Definitions.

SOURCE	LAST AMENDMENT IN THIS TEXT	RETRIEVED	SOURCE FINGERPRINT
General Statutes of North Carolina, as published by the General Assembly	No amendment history on record	21 September 2026, 05:38 UTC	84c3119f07a4b9f2514c4e71 - fa1760dd2b80564f92b20234 - db32fe31cff7d335

The following definitions apply in this Article:

Casinghead gas. - Gas or vapor indigenous to an oil stratum and produced from the stratum with oil.

Commission. - The Oil and Gas Commission.

Condensate. - Liquid hydrocarbon that is or can be recovered from gas by a separator or other means.

Energy mineral. - All forms of natural gas, oil, and related condensates.

First purchaser. - A person who purchases an energy mineral from a producer.

Gas. - All natural gas, including casinghead gas, and all other hydrocarbons not defined as condensates.

Gross price. - The total price paid by the first purchaser of the energy mineral at the wellhead.

Marginal gas well. - A well incapable of producing more than 100 MCF per day, as determined by the Commission using the current wellhead deliverability rate methodology utilized by the Commission, during the calendar month for which the severance tax report is filed.

MCF. - One thousand cubic feet of natural gas.

Oil. - Crude petroleum oil, and other hydrocarbons, regardless of gravity, which are produced at the well in liquid form by ordinary production methods and which are not the result of condensation of gas after it leaves the reservoir.

Owner. - An owner of a landowner's royalty interest, of an overriding royalty, of profits and working interests, or any combination thereof in energy minerals. The term does not include an owner of federal, State, or local governmental royalty interest.

Person. - Defined in G.S. 105-228.90.

Producer. - A person who takes an energy mineral from the soil or water in this State.

Return. - Any report or statement required to be filed under this Article to determine the tax due.

Royalty interest. - An interest in mineral rights in a producing leasehold in the State. A royalty interest does not include the interest of a person having only the management and operation of a well.

Secretary. - The Secretary of Revenue.

Severance. - The extraction or other removal of an energy mineral from the soil or water of this State.

Severed. - The point at which the energy mineral has been separated from the soil or water of this State.

Standard barrel of oil. - A barrel of oil containing 42 gallons.

Taxpayer. - Any person required to pay the severance tax levied by this Article. (2014-4, s. 17(a); 2020-58, s. 2.8(a).)

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS II
1 AUTHORITY

Authorities referenced

Every G.S. cross-reference appearing in the text of this section, in order of first appearance. Nothing is characterized; the operative language is quoted from the section itself.

REFERENCE	APPEARS IN	OPERATIVE LANGUAGE IN THIS SECTION
G.S. 105-228.90	(null)(12)	"Person. - Defined in"

APPARATUS III

Citation

FULL SECTION

N.C. Gen. Stat. § 105-187.76 (2026).

Pinpoint keys are set in the left margin of the text rather than line numbers: subsection designators are stable across editions and paper sizes, line numbers are not.

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