Tax Reform

**Issue:** Petroleum exploration and production are extremely capital intensive and the role of taxation is very important to the development of oil and gas resources throughout the world.

**Background:** Economies throughout the world are greatly dependent on abundant supplies of petroleum at reasonable cost. Policies, which serve to find and produce petroleum anywhere in the world, in the larger sense, benefit all the peoples of the world.

Taxes of any type, by any authority, imposed on any entity engaged in the activities of petroleum exploration and production, act to impede by some measure the efficacy of those efforts.

**Statement:** AAPG is comprised of members of many countries. While recognizing the legitimate right and need of all nations to impose and collect taxes in order to finance governmental operations, AAPG supports policies, which serve to encourage petroleum exploration and development within and outside their boundaries. AAPG also affirms the efforts of all members to establish equitable petroleum tax policies within their respective governments.