



American Association of Petroleum Geologists Statements

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.

As a professional, scientific association, AAPG is a credible source of information of interest to a wide spectrum of individuals. AAPG has a proud history of providing information to decision-makers and the public on matters concerning the science and profession of petroleum exploration.

In this role, AAPG has given testimony before the U.S. Congress, provided information to lawmakers on a national, state and local level, and has adopted statements that the association believes are of importance.

The following are the statements that are currently in effect. These were revised or added in June 2007 and will be reviewed periodically. They can also be accessed at: <http://dpa.aapg.org/gac/index.cfm>