

Cal. State Long Beach POSC.
Public v. Pvt. ownership of minerals

For POSC, Cal State Long Beach
Public v. priv. ~~own~~ ownership.
esp. energy res.

1. Line is fuzzy

a. Public land is devd. by leasing to privs.
~~OCS; State (Ala., Cal.)~~

Mosaic of ownership

Fed. lands

Uplands. FS; BLM; NPR

Pub. lands in fr. nations under U.S. military
influence or umbrella.

OCS lands. BLM, subject to influence
by neighboring states.

State lands. Ala., Cal., Ts. (3 league rule)
(Fr. of U.S.) ~~also~~ (U. of Minn. alt. method, earmarked rev.)
Canadian provinces, vast crown lands, or res. of mineral rts.
Cities: Long Beach

Conc. of leases

Leaseholds are as concd., on priv. holdings,
maybe more.

- away by 10 giants
- Coal leases in Rocky Mt. area, BLM, safety Tumbled
 - Shale oil, figs. from Paul Douglas
 - Ala. o & g., top 10% have ca. 70%

These results from:

Bonus bid system. Need for front-end money.
Advantage to accum. wealth.

Recent move to shift to other methods,
shift profits into future.

Reduced taxes -- & these assert public ownership.

Property taxes. ^{preleasing, no tax collections.} Little or none, outside school
dist's. Thus, lessee enjoys advantages of ownership w/o normal
responsibilities.

Inc. tax. Royalty deductible, but rec't not
taxable

Bonus profit not taxable, while same profit to profit
owner w'd. be (altho probly. at 10% gain rates.)

Foreign leases: for. tax credit; deferred tax on
unrepatriated inc. Thus we build up producing
capacity in OPEC nations.

Loopholes for for. flag shipping.

Conclusion: Public ownership does not automatically assert
public interest

b. Pvt. land is subject to tax, ^{elaborate} ex regn.
Prop. tax - Cal. gets a lot this way.
Most states haven't. ^{\$.46 is still a lot, esp. to inc. tax profits.}
~~But it is a big outlay of O&G cos.~~

But new lease sale activity creates
info. needed for assmt. e.g. N.D.
(1970-74, 700% Δ in lease acqu. profits by O&G cos.) (To \$66, '74)
Taxn. is same as lease profits, after bonus.

Inc. tax, more noted for loopholes than
collection, but could be reformed.

Today, taxes are being collected via
price regn of nat. gas

Also, MER regn., unitizn. well spacing.

