



# TaxNewsFlash

## United States

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### **Legislative update: SEC rules requiring disclosure of government payments, taxes by resource extraction sector nullified**

President Donald Trump has signed into law H.J.Res.41—a joint resolution that nullifies requirements that commercial developers of oil, natural gas, or minerals to report payments made to foreign governments. These reportable payments include taxes.

[H.J.Res. 41](#) [PDF 111 KB] states that Congress disapproves of the rules.

#### **Background**

The U.S. Securities and Exchange Commission (SEC) in the summer 2016 announced rules to require resource extraction issuers to disclose payments made to governments for the commercial development of oil, natural gas or minerals. The rules, mandated under the *Dodd-Frank Wall Street Reform and Consumer Protection Act*, were intended to require resource extraction issuers to disclose payments made to governments for the commercial development of oil, natural gas, or minerals. Read the [SEC final rules](#) [PDF 809 KB]

The SEC rules require “not de minimis” payments, whether as a single payment or a series of related payments, equal to or exceeding \$100,000 during the same fiscal year to be disclosed. Among these payments are:

- Taxes
- Royalties
- Fees (including license fees)
- Production entitlements
- Bonuses
- Dividends

- Payments for infrastructure improvements
- Community and social responsibility payments (if required by law or contract)

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