

US lawmakers question ExxonMobil's Guyana taxes

Three United States legislators have written to the oil and gas giant, ExxonMobil, on how its payments to the Guyana government regarding the 2016 Stabroek Block Petroleum Agreement (PA), have affected its US federal tax liability.

“Does the 2016 PA between ExxonMobil and Guyana make a distinction between taxes owed to the Government of Guyana and payments for economic benefits? If so, please provide the specific language and ExxonMobil’s interpretation of how it affects your US federal tax liability under current rules,” the three Democratic legislators wrote in their September 23, 2025 letter to ExxonMobil’s chairman and chief executive officer, Darren Woods.

In their lengthy correspondence, Sheldon Whitehouse of Rhode Island, Chris Van Hollen of Maryland and Jeff Merkley, of Oregon, said that after ExxonMobil discovered nearly 11 billion barrels of oil off the coast Guyana, the company signed a PA with the Guyana government.

“Since the initial Liza oil discovery in 2015, Guyana, a former climate leader, has embraced oil as a route to prosperity, even as sea level rise could claim its capital, Georgetown, by 2030.”

The letter noted that ExxonMobil partnered with a Chinese stateowned oil company, the China National Offshore Oil Corporation (CNOOC), and the US company Hess, now owned by Chevron, which together pump around 900,000 barrels of oil a day.

The PA, which was only made public after significant public pressure on the Guyana government “stipulates that ExxonMobil can pocket 75 per cent of the value of oil produced and sold until it has recouped its recoverable contract costs.

“The remaining 25 per cent of production is split between ExxonMobil and its partners and the Government of Guyana. Under Article 15.4 of the PA, the Government of Guyana pays ExxonMobil’s Guyana income taxes out of the Government’s share of the oil profits.”

The three Senators say they are concerned about the possibility that “American taxpayers may be subsidising ExxonMobil’s foreign oil production, which they do in partnership with a Chinese stateowned company”.

They said that under existing US laws, ExxonMobil is considered a “dual capacity” taxpayer, as it is a multinational company that pays an income tax to a foreign country while also receiving a specific economic benefit from that foreign country, such as the right to extract oil and gas. (CMC)