

2024 Regular Session

HOUSE BILL NO. 73

BY REPRESENTATIVE MACK

TAX/LOCAL: Authorizes parishes to levy a tax on carbon dioxide injected for geologic sequestration

1 AN ACT

2 To enact Subpart G of Part I of Chapter 6 of Title 33 of the Louisiana Revised Statutes of
3 1950, to be comprised of R.S. 33:2740.101, relative to parish revenue; to authorize
4 parishes to levy a tax on carbon dioxide injected for geologic sequestration; to
5 provide relative to rates, collection, and penalties; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. Subpart G of Part I of Chapter 6 of Title 33 of the Louisiana Revised
8 Statutes of 1950, comprised of R.S. 33:2740.101, is hereby enacted to read as follows:

9 SUBPART G. TAX ON SEQUESTERED CARBON DIOXIDE

10 §2740.101. Tax on sequestered carbon dioxide

11 A. A parish governing authority may levy and collect a tax on carbon
12 dioxide that is injected for geologic sequestration by a Class VI injection well that
13 is located within the parish.

14 B. The tax shall be levied by ordinance, which shall specify the tax rate,
15 collection procedures, and other administrative details, including required reporting
16 on injection rates and storage capacity, as deemed appropriate by the parish
17 governing authority. The ordinance may also provide penalties for delinquent
18 payments.

1 C. The owner or operator of the Class VI injection well who holds the permit
2 from the office of conservation to inject carbon dioxide for geologic sequestration
3 is liable for payment of the tax.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 73 Original

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Abstract: Authorizes a parish governing authority to levy a tax on carbon dioxide injected for geologic sequestration within the parish.

Proposed law authorizes a parish governing authority to levy a tax on carbon dioxide that is injected for geologic sequestration by an injection well that is located within the parish. Requires that the tax be levied by ordinance, which shall specify the tax rate, collection procedures, and other administrative details. Authorizes penalties for delinquent payments.

Present law requires that an entity wishing to inject carbon dioxide for geologic sequestration obtain a permit from the office of conservation.

Proposed law provides that the entity that holds such a permit is liable for payment of the tax authorized by proposed law.

(Adds R.S. 33:2740.101)