

**CONFERENCE COMMITTEE REPORT
House Bill No. 40 By Representative Hammett**

November 21, 2005

To the Honorable Speaker and Members of the House of Representatives and the Honorable President and Members of the Senate.

Ladies and Gentlemen:

We, the conferees appointed to confer over the disagreement between the two houses concerning House Bill No. 40 by Representative Hammett, recommend the following concerning the Engrossed bill:

1. Reject the amendment proposed by the Senate Committee on Revenue and Fiscal Affairs and adopted by the Senate on November 17, 2005.
2. Reject the set of five Senate Floor amendments proposed by Senator Ellington and adopted by the Senate on November 21, 2005.
3. Reject the set of four Senate Floor amendments proposed by Senator Ellington and adopted by the Senate on November 21, 2005.
4. Amend engrossed bill as follows:

AMENDMENT NO. 1

On page 1, line 2, after "R.S. 47:331(P)(2)" insert:

"and to enact R.S. 47:301(3)(j), and (13)(l), 302(T), 321(J), and 331(R)"

AMENDMENT NO. 2

On page 1, line 6, change "enacted" to the following:

"amended and reenacted and R.S. 47:301(3)(j) and (13)(l), 302(T), 321(J), and 331(R) are hereby enacted"

AMENDMENT NO. 3

On page 1, between lines 6 and 7, insert:

"§301. Definitions

As used in this Chapter the following words, terms, and phrases have the meaning ascribed to them in this Section, unless the context clearly indicates a different meaning:

(3)	*	*	*
	*	*	*

(j) For the purpose of the sales and use taxes imposed by the state or any political subdivision whose boundaries are conterminous with those of the state, the "cost price" of natural gas for the period July 1, 2006 through December 31, 2008, purchased or used by paper or wood products manufacturing facilities shall not include any amount in excess of six dollars and twenty cents per MMBtu.

(13)	*	*	*
	*	*	*

(I) For purposes of the sales and use tax imposed by the state or any political subdivision whose boundaries are coterminous with those of the state, the "sales price" of natural gas the period July 1, 2006 through December 31, 2008, sold for use by paper or wood products manufacturing facilities shall not include any amount in excess of six dollars and twenty cents per MMBtu.

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§302. Imposition of tax

* * *

T. Notwithstanding any other provision of law to the contrary and specifically notwithstanding any provision of Act No. 4 of the 2004 First Extraordinary Session which makes any state sales and use tax exemption inapplicable, inoperable, and of no effect, the exemption provided for electric power or energy shall be applicable, operable, and effective as to the tax levied pursuant to the provisions of this Section for the period July 1, 2006 through December 31, 2008, for the sale, purchase, or use of such electric power or energy by paper or wood products manufacturing facilities.

* * *

§321. Imposition of tax

* * *

J. Notwithstanding any other provision of law to the contrary and specifically notwithstanding any provision of Act No. 4 of the 2004 First Extraordinary Session which makes any state sales and use tax exemption inapplicable, inoperable, and of no effect, the exemption provided for electric power or energy shall be applicable, operable, and effective as to the tax levied pursuant to the provisions of this Section for the period July 1, 2006 through December 31, 2008, for the sale, purchase, or use of such electric power or energy by paper or wood products manufacturing facilities."

AMENDMENT NO. 4

On page 1, line 15, change "For" to the following:

"Except as provided for in Subsection R of this Section, for"

AMENDMENT NO. 5

On page 1, after line 22, insert:

"* * *

R. Notwithstanding any other provision of law to the contrary and specifically notwithstanding any provision of Act No. 4 of the 2004 First Extraordinary Session which makes any state sales and use tax exemption inapplicable, inoperable, and of no effect, the exemption provided for electric power or energy shall be applicable, operable, and effective as to all of the tax levied pursuant to the provisions of this Section for the period July 1, 2006 through December 31, 2008, for the sale, purchase, or use of such electric power or energy by paper or wood products manufacturing facilities."

Respectfully submitted,

Representative Bryant O. Hammett, Jr.

Senator Willie Mount

Representative Charles McDonald

Senator Robert W. "Bob" Kostelka

Representative T. Taylor Townsend

Senator Noble E. Ellington