
SENATE FLOOR AMENDMENTS

2016 First Extraordinary Session

Amendments proposed by Senator Morrell to Engrossed House Bill No. 99 by Representative Stokes

1 AMENDMENT NO. 1

2 On page 1, line 2, after "(D)," insert "(E),"

3 AMENDMENT NO. 2

4 On page 1, line 8, after "(D)," insert "(E),"

5 AMENDMENT NO. 3

6 On page 4, delete line 4 and insert the following:

7 "E. Oil and gas.

8 (1) For taxable periods beginning on or after January 1, 2016, for the purpose
9 of this Subsection, the Louisiana apportionment percent of any taxpayer whose net
10 apportionable income is derived primarily from the exploration, production, refining
11 or marketing of oil and gas shall be the arithmetical average of four ratios, as
12 follows:

13 (a) The ratio of the value of the immovable and corporeal movable property
14 owned by the taxpayer and located in Louisiana to the value of all immovable and
15 corporeal movable property owned by the taxpayer and used in the production of the
16 net apportionable income.

17 (b) The ratio of the amount paid by the taxpayer for salaries, wages, and other
18 compensation for personal services rendered in this state to the total amount paid by
19 the taxpayer for salaries, wages, and other compensation for personal services in
20 connection with the production of net apportionable income.

21 (c) The ratio of net sales made in the regular course of business and other
22 gross apportionable income attributable to this state to the total net sales made in the
23 regular course of business and other gross apportionable income of the taxpayer. The
24 ratio of net sales as provided in this Subparagraph shall be double-weighted or
25 counted twice.

26 (2) For purposes of this Subsection, "exploration, production, refining or
27 marketing of oil and gas " shall mean:

28 (a) Any taxpayer whose income is primarily derived from the production or
29 sale of unrefined oil and gas.

30 (b) Any taxpayer defined as an integrated oil company per the United States
31 Internal Revenue Code - 26 USC 291(b)(4), or integrated oil companies that refine,
32 produce, and have marketing operations, whose income in Louisiana is principally
33 derived from production and sale of unrefined oil and gas, and who also engage in
34 significant marketing of refined petroleum products in Louisiana. Provided, any
35 taxpayer, whose activities during the taxable year do not include any "gross receipts
36 from retail sales of oil and/or natural gas", or any "refinery activities of oil and/or
37 natural gas", will not be considered as an integrated oil company for Louisiana tax
38 purposes, notwithstanding such taxpayer may be a "related party" or a "member of
39 the federal consolidated group" under the United States Internal Revenue Code."