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HOUSE FLOOR AMENDMENTS

2016 Second Extraordinary Session

Amendments proposed by Representative Jim Morris to Engrossed House Bill No. 20 by Representative Reynolds

AMENDMENT NO. 1

On page 1, line 3, after "47:287.95" insert "(E),"

AMENDMENT NO. 2

On page 1, line 10, after "47:287.95" insert "(E),"

AMENDMENT NO. 3

On page 4, delete line 7 in its entirety and insert the following:

"E. Oil and gas.

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

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

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

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

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

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

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