

1 well payout, whichever occurs first, while conventional or vertically-drilled wells do not
2 receive this exemption; and

3 WHEREAS, the Louisiana Mineral Law Institute at Louisiana State University Paul
4 M. Hebert Law Center, the LSU CES, and the LSU PAI are valuable sources of information
5 and knowledge regarding oil and gas law, and economic and political matters; and

6 WHEREAS, various members of the Louisiana Tax Institute, the LSU CES, and the
7 LSU PAI have substantial expertise in state tax law, as well as oil and gas law matters.

8 THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby
9 urge and request the LSU CES, LSU PAI, and the Louisiana Tax Institute, in consultation
10 with the director of the Louisiana Mineral Law Institute, to analyze the mineral tax laws in
11 Louisiana and make specific recommendations to the legislature while balancing the
12 following goals:

13 (1) Preserve or improve the competitiveness of the oil and gas extraction sector in
14 Louisiana.

15 (2) Decrease or remove the difference in tax rates for oil and gas.

16 (3) Create an equitable system of severance tax exemptions for all wells, not just
17 horizontal wells.

18 (4) Hold constant or increase mineral revenues for the state.

19 BE IT FURTHER RESOLVED that reports of the specific recommendations shall
20 be submitted to the Senate Committee on Revenue and Fiscal Affairs and the House
21 Committee on Ways and Means on the following timeline:

22 (1) A preliminary status report no later than February 1, 2019.

23 (2) A final written report of recommendations no later than February 1, 2020.

24 (3) Specific bills implementing these recommendations no later than February 1,
25 2021.

26 BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the
27 executive director of the LSU Center for Energy Studies, the director of the LSU Public
28 Administration Institute, the director of the Louisiana Mineral Law Institute, and the chair
29 of the board of the Louisiana Tax Institute.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Leonore Heavey.

DIGEST

SCR 4 Original

2018 Second Extraordinary Session

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Requests the LSU Center for Energy Studies, the LSU Public Administration Institute, and the Louisiana Tax Institute to analyze mineral revenues, taxes, and exemptions in Louisiana and to submit a written report of its findings to the legislature.