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**HOUSE COMMITTEE AMENDMENTS**

2019 Regular Session

Amendments proposed by House Committee on Ways and Means to Original House Bill No. 188 by Representative Jim Morris

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1 AMENDMENT NO. 1

2 On page 1, line 2, after "reenact" delete the remainder of the line in its entirety and insert the  
3 following:

4 "R.S. 47:633(7)(c)(i)(bb) and (c)(ii)(aa) and to enact R.S. 47:633(7)(c)(i)(cc) and  
5 (c)(ii)(ee), relative"

6 AMENDMENT NO. 2

7 On page 1, delete line 4 in its entirety and insert the following:

8 "a stripper well or from a stripper field; to exclude oil produced from a stripper well  
9 or from a stripper field from severance tax under"

10 AMENDMENT NO. 3

11 On page 1, line 5, after "conditions;" and before "to provide for an" insert "to require the  
12 secretary to make certain determinations;"

13 AMENDMENT NO. 4

14 On page 1, delete lines 7 and 8 in their entirety and insert the following:

15 "Section 1. R.S. 47:633(7)(c)(i)(bb) and (c)(ii)(aa) are hereby amended and  
16 reenacted and R.S. 47:633(7)(c)(i)(cc) and (c)(ii)(ee) are hereby enacted to read as follows:"

17 AMENDMENT NO. 5

18 On page 1, line 21, after "barrel" delete the period "." and on page 2, delete lines 1 through  
19 5 in their entirety and insert the following:

20 "provided all required reports have been timely submitted to the secretary  
21 verifying that the well did not produce an average of more than ten barrels of oil per  
22 day during the entire calendar month.

23 (cc) Notwithstanding Subitem (bb) of this Item, beginning on January 1,  
24 2020, through December 31, 2029, oil produced from a certified stripper well shall  
25 be exempt from severance tax in any month in which the average value set forth in  
26 this Subitem is less than seventy-five dollars per barrel. For purposes of this  
27 Subitem, the secretary shall determine on a quarterly basis, the oil value upon which  
28 the exemption for a certified stripper well shall be based. This determination shall  
29 be based upon the average New York Mercantile Exchange Price per barrel of crude  
30 oil per month for the prior three months.

31 (ii)(aa) Except as provided for in Subitem (ee) of this Item, on ~~On~~ oil  
32 produced from a well in a stripper field classified by the commissioner of  
33 conservation as a mining and horizontal drilling project which utilizes gravity  
34 drainage to a collection point in a downhole operations room, the tax rate applicable  
35 to the oil severed from such well shall be one-quarter of the rate set forth in  
36 Subparagraph (a) of this Paragraph (7); provided that such well has been classified

1 by the commissioner as a mining and horizontal drilling project before the lower rate  
2 is claimed on a tax return.

3 \* \* \*

4 (ee) Notwithstanding Subitem (aa) of this Item, beginning January 1, 2020  
5 through December 31, 2029, oil produced from a well in a classified stripper field  
6 shall be exempt from severance tax in any month in which the average value set forth  
7 in this Subitem is less than seventy-five dollars per barrel. For purposes of this  
8 Subitem, the secretary shall determine on a quarterly basis, the oil value upon which  
9 the exemption for a well in a certified stripper field that produces oil shall be based.  
10 This determination shall be based upon the average New York Mercantile Exchange  
11 Price per barrel of crude oil per month for the prior three months.

12 \* \* \*"  
13

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.