
DIGEST

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HB 444 Original

2025 Regular Session

Mack

Abstract: Creates an injection tax for carbon dioxide sequestration and dedicates the tax revenue to parishes within the storage facility's area of review.

Proposed law requires that carbon dioxide storage operators pay an injection tax of \$3 per metric ton of carbon dioxide injected by a Class VI well.

Proposed law requires the operator to pay the tax electronically to the La. Dept. of Revenue (LDR) each month.

Proposed law also requires the operator to submit a report to both LDR and the Dept. of Energy and Natural Resources (DENR) each month that details to total amount of carbon dioxide injected per well and any other information required by LDR.

Proposed law requires DENR to certify for LDR the injection volumes reported by the operator.

Proposed law authorizes both LDR and DENR to promulgate rules to implement proposed law.

Proposed law requires LDR to pay the taxes paid directly into the state treasury and after being applied to Bond Security and Redemption Fund obligations, the treasurer is required to allocate the tax revenue to the parish or parishes under which carbon dioxide is being stored.

Proposed law provides that if the carbon dioxide is being stored under more than one parish, that the tax revenue will be divided between the parishes based on each parish's proportionate share of the surface area above the storage facility. These amounts are to be determined based on the area of review on file with DENR for each storage facility.

Proposed law requires that storage operators maintain any data used to calculate taxes due and to make such data available for inspection by DENR.

Proposed law further authorizes DENR to disclose this data to any parish entitled to receive tax revenue under proposed law, upon request of the parish.

Proposed law provides that the revenue received by parishes under proposed law may be used by the parish for any lawful purpose.

(Adds R.S. 30:1116)