
DIGEST

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Robideaux

HB No. 616

Abstract: Changes severance tax exemptions and other special tax treatment for various types of oil and gas production.

Present law imposes tax on the severance of oil and natural gas.

Proposed law retains present law with respect to tax rates.

Present law provides for various exemptions and special tax treatment with respect to severance tax liabilities related to oil and gas production.

Proposed law changes present law for the exemptions for horizontal wells, inactive wells, deep wells, production related to tertiary recovery projects.

Present law authorizes an exclusion from the severance tax base for gas which is subsequently injected into a formation in La. or which is used in the manufacture of carbon black.

Proposed law repeals present law relative to the tax on stripper wells, stored gas, gas used in the production of natural resources in La., and gas vented or flared.

(Amends R.S. 47:633(7)(a), (iii)(introductory paragraph) and (iv)(introductory paragraph), and 633(9)(d)(v), and R.S. 47:633.4(B); Adds R.S. 47:634(4); Repeal R.S. 47:633(7)(c)(ii), (9)(e)(i), (v), and (vii))