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

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DIGEST

Gallot

SCR No.

Requests the Department of Revenue (DOR) to take all action necessary to cause the collection of severance taxes due to the state and to avoid the running of prescription on severance taxes, and for the Department of Natural Resources (DNR) to take all action necessary to cause the collection of all mineral royalties due and owing to the state and to avoid the prescription of any royalty claims.

Requests DOR in consultation with the Louisiana Legislative Auditor (the Auditor) to conduct a study to determine what resources, tools, and other means are needed and available to perform yearly reviews or audits of severance taxes which may be owed to ensure that the state receives complete, accurate, and timely payments and to develop, implement, and maintain a procedure to verify the accuracy of the self-reported data used to determine the amount of severance taxes owed to the state and the accuracy of the amount of refunds claimed.

Requests DNR in consultation with the Auditor to review and conduct yearly audits of all who may owe mineral royalties to ensure that the state receives complete, accurate, and timely payments and to develop, implement, and maintain a procedure to verify the accuracy of the royalty payments.

Directs the Auditor to advise, consult with, and monitor the actions of DOR and DNR in accomplishing all of the requirements of the Resolution and to file a written report with the Legislative Audit Advisory Council and the chairs of Revenue and Fiscal Affairs and Finance and Ways and Means and Appropriations which must include, but not be limited to the following:

- (1) The advice and consultation given to the departments and how and whether the advice and consultation was acted upon by the departments.
- (2) An evaluation of the efficiency, effectiveness, and operation of DOR's program for auditing oil and gas severance taxes, and the development, implementation, and maintenance of the procedure to verify the accuracy of self-reported oil and gas severance tax data.
- (3) An evaluation of the efficiency, effectiveness, and operation of DNR's program established by the Department of Natural Resources for reviewing and auditing of mineral royalties.

States that the state of Louisiana has determined that severance tax payments are independently owed to the state and its citizens pursuant to state law, and that mineral royalties are

independently owed to the state and its citizens pursuant to contracts between the state and its lessees.