

Existing constitution provides for the distribution of severance taxes levied and imposed by the state to each parish in which severance or production occurs as follows:

- (1) 1/3 of sulphur severance tax, not to exceed \$100,000.
- (2) 1/3 of lignite severance tax, not to exceed \$100,000.
- (3) 3/4 of the timber severance tax.
- (4) 1/5 of the severance tax on all natural resources, other than sulphur, lignite, or timber, not to exceed \$750,000.

New constitutional amendment retains existing constitution severance allocations for sulphur, lignite, and timber. Increases the maximum allocation per parish for natural resources other than sulphur, lignite, or timber from \$750,000 to \$850,000 effective July 1, 2007. Further provides the maximum allocation shall be increased each July 1, beginning in 2008, by an amount equal to the average annual increase in the CPI for all urban consumers, as published by the U.S. Dept. of Labor, for the previous calendar year, as calculated and adopted by the Revenue Estimating Conference.

Provides for submission of the proposed amendment to the voters at the statewide election to be held November 7, 2006.

(Amends Const. Art. VII, §4(D))