



Louisiana

LEGISLATIVE FISCAL OFFICE
Fiscal Note Summary

FISCAL NOTE ON: HB 720
HLS 97-491

STATUS OF BILL: ENGROSSED
WITH SENATE COMMITTEE AMENDMENTS

Date: June 13, 1997	AUTHOR: DUPRE
Dept: Treasury	ANALYST: Greg Albrecht
Subject: Parish Severance Tax Allocation	

PURPOSE OF BILL:

TAX/SEVERANCE TAX: (Constitutional Amendment) Increases the limitation on the general severance tax allocation to parishes

Current law places a maximum of \$500,000 on the severance tax allocation to an eligible parish from all resources other than sulphur, lignite, or timber {primarily oil & gas}.

Proposed law increases that maximum to \$750,000. To be submitted at the 1998 congressional primary election.

Senate Finance Committee amendments make the effective date of the dedication July 1, 1999.

ESTIMATED FISCAL IMPACT:

EXPENDITURES	1997-98	1998-99	1999-00	2000-01	2001-02	5 YEAR TOTAL
State General Fund	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self Generated	\$0	\$0	\$0	\$0	\$0	\$0
Stat. Deds./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	1997-98	1998-99	1999-00	2000-01	2001-02	5 YEAR TOTAL
State General Fund	\$0	\$0	(\$5,700,000)	(\$5,700,000)	(\$5,700,000)	(\$17,100,000)
Agy. Self Generated	\$0	\$0	\$0	\$0	\$0	\$0
Stat. Deds./Other	\$0	\$0	\$5,700,000	\$5,700,000	\$5,700,000	\$17,100,000
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPLANATION OF ESTIMATES:

EXPENDITURES:

There is no anticipated direct effect on expenditures as a result of this measure.

REVENUES:

Based on the actual severance taxes collected from each parish in the last three years, the increase in the maximum allowed to be allocated to each parish would increase the aggregate parish severance tax distribution by approximately \$5.7 million. These monies are currently retained by the state and this bill reduces state general fund revenue by a like amount.

Senate Rules 13.5.1 and 13.5.2

Richard S. Rombach
 John R. Rombach
 LEGISLATIVE FISCAL OFFICER
 or Designee