



LEGISLATIVE FISCAL OFFICE
Fiscal Note Summary

Louisiana

FISCAL NOTE ON: HB 720
HLS 97- 491
STATUS OF BILL: ENGROSSED

DATE COMPLETED: April 29, 1996
Dept: Treasury
Subject: Parish Severance Tax Allocation

AUTHOR: DUPRE
ANALYST: Greg Albrecht

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.

ESTIMATED FISCAL IMPACT:

EXPENDITURES	1997-98	1998-99	1999-2000	2000-2001	2001-02	5 YEAR TOTAL
State General Funds	\$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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	1997-98	1998-99	1999-2000	2000-2001	2001-02	5 YEAR TOTAL
State General Funds	\$0	(\$5,700,000)	(\$5,700,000)	(\$5,700,000)	(\$5,700,000)	(\$22,800,000)
Agy. Self Generated	\$0	\$0	\$0	\$0	\$0	\$0
Stat. Deds./Other	\$0	\$5,700,000	\$5,700,000	\$5,700,000	\$5,700,000	\$22,800,000
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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.

H. Gordon Monk

John R. Rombach
LEGISLATIVE FISCAL OFFICER
or Designee