

2018 Regular Session

HOUSE BILL NO. 331

BY REPRESENTATIVES JIM MORRIS AND BISHOP

ENERGY/OIL & GAS: Provides for payment of the Oilfield Site Restoration Fund fee

1 AN ACT

2 To amend and reenact R.S. 30:87(A), relative to the oilfield site restoration fee; to provide
3 for the payment of certain fees; to provide for an effective date; to provide for
4 submissions to the Department of Revenue; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 30:87(A) is hereby amended and reenacted to read as follows:

7 §87. Oilfield site restoration fees

8 A. There is hereby imposed on crude petroleum produced from producing
9 wells in this state a fee on each barrel of oil and condensate payable upon the initial
10 disposition of each barrel of oil and condensate. The fee is in addition to any tax
11 imposed pursuant to Title 47 of the Louisiana Revised Statutes of 1950. The
12 provisions of Chapters 17 and 18 of Subtitle II of Title 47 of the Louisiana Revised
13 Statutes of 1950 shall apply to the administration, collection, and enforcement of the
14 fee imposed herein, and the penalties provided by that code shall apply to any person
15 who fails to pay or report the fee. Proceeds from the fee, including any penalties
16 collected in connection with the fee, shall be deposited into the Oilfield Site
17 Restoration Fund.

18 * * *

19 Section 2. The provisions of this Act are declared to be remedial and curative and
20 shall be applied retroactively to July 1, 2017, as well as prospectively. In order to prevent

1 double payment of the oilfield site restoration fee from July 1, 2017 through June 30, 2018,
2 the following shall be submitted to the Department of Revenue:

3 (1) Each oilfield site restoration fee return filed for each of the quarters during the
4 period of July 1, 2017 through June 30, 2018 shall be amended by the original filer to report
5 the oilfield site restoration fee based on the initial disposition of each barrel of oil and
6 condensate instead of production of each barrel of oil and condensate. This amended return
7 shall be prepared as if it were an original return based on initial disposition of each barrel
8 of oil and condensate.

9 (2) In addition to the amended return referenced above, the original filer shall also
10 submit one reconciliation report containing information for each quarter in the format and
11 method provided by the Department of Revenue. At a minimum this reconciliation report
12 shall contain the amount of oil and condensate produced and the amount of oil and
13 condensate initially disposed of during each of the affected quarters as well as the difference
14 between the two.

15 (3) The amended returns, the corresponding reconciliation report, and the payment
16 of any additional oilfield site restoration fee due shall be filed and paid no later than March
17 31, 2019. Any returns, reconciliation reports, or payments due that are not received by this
18 date will be deemed delinquent and will therefore be subject to interest and penalties.

19 Section 3. This Act shall become effective July 1, 2018.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 331 Engrossed

2018 Regular Session

Jim Morris

Abstract: Provides that the oilfield site restoration fee charged on the production of oil is payable upon the initial disposition of each barrel of oil and condensate.

Present law imposes a set fee on the production of oil, condensate, and gas that is in addition to any severance taxes imposed on such production. Specifies that the proceeds of the fee are to be used for the oilfield site restoration program in the Dept. of Natural Resources.

Proposed law retains present law and provides that the fee is payable upon the initial disposition of each barrel of oil and condensate.

Proposed law provides that proposed law is remedial and curative and will be applied retroactively to July 1, 2017, as well as prospectively.

Proposed law requires that to prevent double payment, amended oilfield site restoration fee returns, along with a reconciliation report and any fee due, be submitted to the Dept. of Revenue for those returns filed between July 1, 2017 through June 30, 2018.

Effective July 1, 2018.

(Amends R.S. 30:87(A))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Natural Resources and Environment to the original bill:

1. Remove provision that the initial disposition is by the producer.
2. Require amended oilfield site restoration fee returns, along with a reconciliation report and any fee due, be submitted to the Dept. of Revenue for those returns filed between July 1, 2017 through June 30, 2018.
3. Change the effective date from governor's signature to July 1, 2018.