HLS 20RS-1570 ORIGINAL

2020 Regular Session

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HOUSE CONCURRENT RESOLUTION NO. 65

BY REPRESENTATIVE BISHOP

TAX/SEVERANCE TAX: Suspends the severance taxes levied on oil, natural gas, distillate, and condensate

A CONCURRENT RESOLUTION

2	To suspend through the final day of the last full month prior to sixty days after final
3	adjournment of the 2021 Regular Session of the Legislature of Louisiana the
4	severance taxes levied pursuant to R.S. 47:631 on oil, natural gas, distillate, and
5	condensate at the rates set forth in the provisions of R.S. 47:633(7), (8), and (9).
6	WHEREAS, the oil and natural gas industries are important industries in Louisiana
7	that employ over thirty thousand workers with wages that exceed three billion dollars
8	annually which contributes to the state's overall economy; and
9	WHEREAS, Louisiana needs the oil and natural gas industries in this state to remain
10	strong in order to help continue to drive the state's economy; and
11	WHEREAS, the oil and natural gas industries in Louisiana are facing imminent peril
12	as the price of oil per barrel has dropped nearly sixty percent since January 1, 2020, and the
13	price of natural gas has dropped nearly sixty percent since October 1, 2019; and
14	WHEREAS, contributing factors to the recent drop in the price of oil per barrel is the
15	recent surge in the supply of oil in the market from Russia and OPEC as well as a drop in
16	demand for oil as a result of the COVID-19 pandemic; and
17	WHEREAS, the oil and natural gas industries in Louisiana need immediate relief
18	from severance taxes in order to make it financially feasible for oil and natural gas
19	production to continue in this state which in turn will help boost the overall economic health
20	of the state's budget.

- THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby
- 2 suspend the severance taxes levied pursuant to R.S. 47:631 on oil, natural gas, distillate, and
- 3 condensate at the rates set forth in the provisions of R.S. 47:633(7), (8), and (9).
- 4 BE IT FURTHER RESOLVED that this suspension shall become effective on the
- 5 first day of the month following adoption of this Resolution and shall extend through the
- 6 final day of the last full month prior to the sixtieth day after final adjournment of the 2021
- 7 Regular Session of the Legislature of Louisiana.

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)]

HCR 65 Original

2020 Regular Session

Bishop

Suspends the severance taxes levied on oil, natural gas, distillate, and condensate.

(Suspends R.S. 47:631)