
DIGEST

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HB 294 Engrossed

2025 Regular Session

Bagley

Abstract: Repeals a limit on the dollar amount of state severance tax revenues to be remitted to parishes where severance of the resources subject to tax occurs.

Present constitution requires that 20% of the state severance tax on natural resources other than sulphur, lignite, or timber be remitted to the governing authority of the parish in which severance or production occurs. Provides that, effective July 1, 2007, the maximum annual amount of severance tax revenue to be remitted to any parish was \$850,000; and requires that the \$850,000 limit be adjusted for inflation each July first, beginning in 2008, by an amount equal to the average annual increase in the Consumer Price Index.

Proposed constitutional amendment amends present constitution to repeal the dollar-amount limit on severance tax revenues to be remitted to parishes. Proposed constitutional amendment thereby requires that 20% of all severance tax revenues on the natural resources specified in present constitution, regardless of the dollar amount, be remitted to the governing authority of the parish in which severance or production occurs.

Proposed constitutional amendment repeals provisions of present constitution rendered without effect by the repeal of the dollar-amount limit on severance tax revenues to be remitted to parishes.

Provides for submission of the proposed amendment to the voters at the statewide election to be held Nov. 3, 2026.

Effective July 1, 2027.

(Amends Const. Art. VII, §4(D)(3); Repeals Const. Art. VII, §4(D)(4))