

Severance Tax

SEVERANCE TAX BASICS

- Levied upon the severance or extraction of certain minerals and other natural resources from the soil or ground
 - Timber, pulp woods, turpentine, oil, gas, natural gas, distillate, condensate, casinghead gas, sulphur, salt, coal, lignite, and ores, marble, stone, sand, shells, salt content in brine
- FY 21 actual collections - \$302M
- FY 22 projected collections - \$428M
- FY 23 projected collections - \$420M

SEVERANCE TAX RATES

Tax is levied on natural resources severed from the soil or water predicated on the quantity or value of the products or resources severed

Natural Resource	Rate
Trees and Timber	2.25% of then-current average stumpage market rate determined annually in Dec. by the La. Forestry Commission
Pulpwood	5% of then-current average stumpage market rate determined annually in Dec. by the La. Forestry Commission
Sulphur	\$1.03 per long ton of 2,240 lbs.
Salt, Sand, and Shells	.06¢ per ton of 2,000 lbs.
Coal and Ores	.10¢ per ton of 2,000 lbs.
Lignite	.12¢ per ton of 2,000 lbs.
Marble	.20¢ per ton of 2,000 lbs.
Stone	.03¢ per ton of 2,000 lbs.
Salt content in brine extracted or produced in solution from the soil or water, when used in the manufacture of other products and not marketed as salt	½ of .01¢ per ton of 2,000 lbs.