



**Revenue Information Bulletin
No. 09-049
October 21, 2009
Sales Tax**

Act 450 Provides Sales Tax Exclusions, Partial Severance Tax Exemption for Tertiary Recovery Projects

[Act 450 of the Regular Session of the 2009 Louisiana Legislature](#) provides a severance tax rate reduction and sales tax exclusions related to qualified tertiary recovery projects.

Act 450 amends La. R.S. 47:633.4(B)(2) to provide that for all taxable periods on or after July 1, 2010, the severance tax on production within a carbon dioxide (CO₂) tertiary recovery project using anthropogenic carbon dioxide shall be reduced by 50 percent of the tax that would otherwise be due. This reduction in severance tax liability applies only to tertiary recovery projects that are permitted on or after July 1, 2009.

Act 450 also enacts La. R.S. 47:301(10)(ff) and 47:301(18)(p) to provide exclusions from the term “sale at retail” and “use” for sales and purchases of anthropogenic carbon dioxide for use in qualified tertiary recovery projects approved by the assistant secretary of the Louisiana Department of Natural Resources pursuant to La. R.S. 47:633.4.

Act 450 was effective July 1, 2009.

Questions concerning this legislation should be directed to the Louisiana Department of Revenue’s Special Programs Division at 225-219-7356, Option 3, or by email to sales.inquiries@la.gov.

Cynthia Bridges
Secretary

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