

2026 Regular Session

SENATE BILL NO. 318

BY SENATOR REESE

TAX EXEMPTIONS. Provides relative to tax exemption budget and return on investment reports published by the Department of Revenue. (gov sig)

1 AN ACT

2 To amend and reenact R.S. 47:1517(B)(1) and the introductory paragraph of (2), to enact  
3 R.S. 47:1517.3, and to repeal R.S. 47:1517(B)(3) and (4) and (C), and 1517.1(B)(4),  
4 relative to the tax exemption budget; to provide for the publication of the tax  
5 exemption budget; to provide for the contents of the tax exemption budget; to  
6 provide relative to the categorization of tax exemptions; to repeal assessment  
7 requirements; to repeal certain reporting requirements on tax incentives; to provide  
8 for the creation and requirements of the business tax benefit report; to provide for an  
9 effective date; and to provide for related matters.

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 47:1517(B)(1) and the introductory paragraph of (2) are hereby  
12 amended and reenacted and R.S. 47:1517.3 is hereby enacted to read as follows:

13 §1517. Tax exemption budget

14 \* \* \*

15 B.(1) The annual tax exemption budget shall be published on the ~~LaTrac~~  
16 **department's** website, ~~or any subsequent database that may replace the LaTrac~~  
17 ~~system~~, and shall include the following:

1 (a) Each tax exemption; **and** its statutory citation, ~~and its purpose.~~

2 (b) The revenue loss to the state caused by each tax exemption for the three  
3 preceding years, the estimated revenue loss to the state caused by each tax exemption  
4 for the current fiscal year, and the estimated revenue loss to the state caused by each  
5 tax exemption for the ensuing fiscal year.

6 ~~(c) The estimated cost of administering and implementing each tax exemption  
7 for the three preceding fiscal years, the current fiscal year, and the ensuing fiscal  
8 year.~~

9 ~~(d) The tax exemption budget shall also include the following:~~

10 ~~(i) The number of businesses which receive each tax exemption, credit,  
11 exclusion, refund, preferential tax rate, deferred tax liability, or rebate, hereinafter  
12 referred to in this Subsection as the exemption.~~

13 ~~(ii) The parish or location of each business which receives a tax exemption;  
14 provided, that if fewer than ten businesses receive a particular tax exemption, the tax  
15 exemption budget may group such tax exemption with another tax exemption which  
16 also has fewer than ten businesses receiving it.~~

17 ~~(iii) The information shall be displayed in a manner that identifies:~~

18 ~~(aa) The industry group by North American Industry Classification System  
19 sector.~~

20 ~~(bb) The number of taxpayers by industry.~~

21 ~~(cc) The total tax burden by industry group by individual tax before the  
22 exemption.~~

23 ~~(dd) The total value to each industry group for each exemption.~~

24 ~~(ee) The total tax value by each industry group by individual tax of the tax  
25 collections after the exemption.~~

26 ~~(e) The items contained in Subparagraph (d) of this Paragraph shall be  
27 published to the extent that the information is available to the department, on a  
28 schedule to be determined by the secretary of the department, beginning with the  
29 incentive expenditures, and fully implemented by the date of publication of the~~

1 ~~Fiscal Year 2018-2019 tax exemption budget on or before March 1, 2020. The~~  
 2 ~~secretary shall ensure that the publication shall not include confidential information.~~

3 (2) ~~The tax exemptions~~ **Each tax exemption** in the annual tax exemption  
 4 budget shall also be ~~organized in an additional opening schedule as follows~~  
 5 **classified into one of the following categories:**

6 \* \* \*

7 **§1517.3. Business tax benefit report**

8 **A. No later than the first day of September of each year, the secretary of**  
 9 **the Department of Revenue shall prepare and submit to the governor and the**  
 10 **legislature a business tax benefit report in the manner set forth in this Section.**

11 **B. The business tax benefit report shall include a listing of each tax**  
 12 **exemption as defined in R.S. 47:1517(E) that provides tax savings or a financial**  
 13 **benefit to businesses. The report shall not include tax treatments required by**  
 14 **federal law, including those relating to interstate commerce, or provisions that**  
 15 **are part of the general tax structure of the tax system rather than enacted to**  
 16 **provide a targeted tax preference.**

17 **C. The information shall be displayed in a manner that identifies:**

18 **(1) The industry group by North American Industry Classification**  
 19 **System sector.**

20 **(2) The number of taxpayers by industry.**

21 **(3) The total tax burden by industry group by tax type before the**  
 22 **exemption.**

23 **(4) The total value to each industry group for each exemption.**

24 **(5) The total tax burden by industry group by tax type after the**  
 25 **exemption.**

26 **D. The items required by this Section shall not include confidential**  
 27 **information.**

28 Section 2. R.S. 47:1517(B)(3) and (4) and (C), and 1517.1(B)(4) are hereby repealed  
 29 in their entirety.

1 Section 3. The first business tax benefit report shall be due on September 1, 2026.

2 Section 4. This Act shall become effective upon signature by the governor or, if not  
3 signed by the governor, upon expiration of the time for bills to become law without signature  
4 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
5 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
6 effective on the day following such approval.

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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Senate Legislative Services. The keyword, summary, 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)]

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#### DIGEST

SB 318 Engrossed

2026 Regular Session

Reese

Present law requires the secretary of the Dept. of Revenue to prepare and submit a tax exemption budget, hereinafter "TEB", to the governor and the legislature by March 1st of each year.

Proposed law retains present law.

Present law requires publication of the TEB on the LaTrac website or any subsequent database that may replace the LaTrac website.

Proposed law changes the publication location to the Dept. of Revenue's website.

Present law requires the TEB to include each tax exemption, the statutory citation of the exemption, and the purpose of the exemption.

Proposed law repeals the requirement to include the purpose of the exemption but otherwise retains present law.

Present law requires the TEB to include the estimated cost of administering and implementing the tax exemption for the three preceding fiscal years, the current fiscal year, and the next fiscal year.

Proposed law repeals present law.

Present law requires the TEB to include the number of taxpayers that receive each exemption as well as the parish or location of each business receiving the exemption. Further requires the information be displayed in a manner that identifies all of the following:

- (1) The industry group by North American Industry Classification System sector.
- (2) The number of taxpayers by industry.
- (3) The total tax burden by industry group by individual tax before the exemption.
- (4) The total value to each industry group for each exemption.
- (5) The total tax value by each industry group by individual tax of the tax collections after the exemption.

Proposed law repeals present law.

Present law requires the information related to the number of taxpayers that receive each exemption as well as the parish or location of each business receiving the exemption be published to the extent available to the department on a schedule determined by the secretary. Further requires the secretary to ensure no confidential information is published.

Proposed law repeals present law.

Present law requires the exemptions be organized in the TEB into a schedule at the beginning by certain classifications.

Proposed law clarifies that each tax exemption must be classified into one of a list of categories but does not have to be in a schedule at the beginning of the TEB and otherwise retains present law.

Present law prohibits any statute, exemption, exclusion, credit, rebate, or deduction from being listed in multiple categories without a specific notation.

Proposed law repeals present law.

Present law allows the secretary of the Dept. of Revenue to add categories to the opening schedule as necessary.

Proposed law repeals present law.

Present law requires the TEB to include an assessment based on the following criteria:

- (1) Whether or not each tax exemption has been successful in meeting the purpose for which it was enacted, in particular, whether each tax exemption benefits those originally intended to be benefited, and if not, those who do benefit.
- (2) Whether each tax exemption is the most fiscally effective means of achieving its purpose.
- (3) Unintended or inadvertent effects, benefits, or harm caused by each tax exemption, including whether each tax exemption conflicts with other state laws or regulations.
- (4) Whether each tax exemption simplifies or complicates the state tax statutes.

Proposed law repeals present law.

Present law requires each state agency that administers a tax incentive to issue a report no later than April 1st of each even-numbered year that includes the number of employees hired with a La. driver's license at the time of hire for any tax incentives that includes a job creation component.

Proposed law repeals present law.

Proposed law requires the department to prepare and submit a business tax benefit report to the legislature and the governor no later than September 1st each year. Further requires the business tax benefit report to include a listing of each tax exemption that provides a tax savings or financial benefit to businesses with certain exceptions.

Proposed law requires the business tax benefit report to present the information in a manner that identifies the following:

- (1) The industry group by North American Industry Classification System sector.

- (2) The number of taxpayers by industry.
- (3) The total tax burden by industry group by tax type before the exemption.
- (4) The total value to each industry group for each exemption.
- (5) The total tax burden by industry group by tax type after the exemption.

Further disallows that the business tax benefit report from including any confidential information.

Effective upon governor's signature or lapse of time for gubernatorial action.

(Amends R.S. 47:1517(B)(1) and (2)(intro para); adds R.S. 47:1517.3; repeals R.S. 47:1517(B)(3) and (4), and (C), and 1517.1(B)(4))

#### Summary of Amendments Adopted by Senate

##### Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the original bill

1. Repeals TEB requirement to include certain information and to provide the information in a particular format.
2. Creates requirement for LDR to annually publish a business tax benefit report.
3. Requires certain information to be contained in the business tax benefit report.
4. Makes technical changes.