

RÉSUMÉ DIGEST

ACT 270 (SB 318)

2026 Regular Session

Reese

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

New law retains existing law.

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

New law changes the publication location to the department's website.

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

New law repeals the requirement to include the purpose of the exemption but otherwise retains existing law.

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

New law repeals prior law.

Prior law required 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 that 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.

New law repeals prior law.

Prior law required the information related to the number of taxpayers receiving 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 required the secretary to ensure that no confidential information is published.

New law repeals prior law.

Existing law requires that the exemptions listed in the TEB be presented in a schedule, organized by certain classifications, appearing at the beginning of the document.

New law specifies that each tax exemption must be classified according to certain categories but does not have to appear in a schedule at the beginning of the TEB; otherwise, retains existing law.

Prior law prohibited listing of any statute, exemption, exclusion, credit, rebate, or deduction in multiple categories without a specific notation.

New law repeals prior law.

Prior law allowed the department to add categories to the opening schedule as necessary.

New law repeals prior law.

Prior law required 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.

New law repeals prior law.

Prior law required each state agency that administers a tax incentive to issue a report no later than April first 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 include a job-creation component.

New law repeals prior law.

New law requires the single sales and use tax collector for each parish to prepare and submit to the La. Uniform Local Sales Tax Board an annual tax exemption budget addressing local sales and use tax exclusions, exemptions, deductions, credits, rebates, and preferential tax treatments. Requires the board to compile, review, and transmit these local tax exemption budgets to the governor and the legislature no later than March 1 annually, in the same manner and form as required for the TEB prepared by the department.

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

New 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.

New law prohibits inclusion of any confidential information in the business tax benefit report.

Effective May 16, 2026.

(Amends R.S. 47:1517(B)(1) and (2)(intro para); Adds R.S. 47:1517(G) and 1517.3; Repeals R.S. 47:1517(B)(3) and (4) and (C) and 1517.1(B)(4))