

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 878** HLS 18RS 2050

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 11, 2018	12:39 PM	Author: STOKES
Dept./Agy.: Tax Commission / Local Government		Analyst: Greg Albrecht
Subject: Assessment of Commercial Watercraft		

TAX/AD VALOREM TAX EG SEE FISC NOTE LF RV See Note Page 1 of 1
 Provides for the assessment for certain commercial marine vessels and other commercial water craft that operate solely on inland waterways

Present law requires all property subject to taxation be placed upon the assessment lists in the respective parishes or districts where situated. Assessments shall be made on the basis of the condition of things existing on the first day of January of each year.

Proposed law provides that commercial marine vessel and commercial water craft ("water craft"), that operates exclusively within inland waters, are to be assessed in various ways depending on certain conditions: (a) if reported in multiple states and associated with public service property as per La state law, the water craft shall be assessed by the La Tax Commission and allocated as per current state law, (b) if not reported in any other state and held by a La company reported as personal property in one location in the state, the water craft shall be assessed in the parish in which the owner or holder is domiciled, (c) if the water craft is not covered by (a) & (b) above it shall be assessed in the parish where physically located a one minute after midnight on January first of the tax year.

EXPENDITURES	2018-19	2019-20	2020-21	2021-22	2022-23	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2018-19	2019-20	2020-21	2021-22	2022-23	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Annual Total						

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

REVENUE EXPLANATION

The bill appears to intend to treat the assessment of commercial water craft considered public service property as those water craft are currently treated: Tax Commission assessment and allocation to parishes pursuant to current state law. The bill specifies assessment treatment of other commercial water craft, not considered public service property. It is uncertain if these provisions will change the allocation of assessed value of these water craft from what would otherwise occur under current law. To the extent assessed values are reallocated among taxing jurisdictions millage adjustments would redistribute tax burdens among properties within and between parishes.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

John D. Carpenter
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Legislative Fiscal Officer