

**LEGISLATIVE FISCAL OFFICE  
Fiscal Note**



Fiscal Note On: **SB 2** SLS 182ES 43  
 Bill Text Version: **ORIGINAL**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> May 24, 2018 2:16 PM	<b>Author:</b> CLAITOR
<b>Dept./Agy.:</b> Department of Revenue	<b>Analyst:</b> Ryan Guidry
<b>Subject:</b> Distribution of automobile rental tax collected in EBR Parish	

FUNDS/FUNDING OR SEE FISC NOTE LF RV Page 1 of 1  
 Provides for the dedication of certain local avails of the automobile rental tax collected in East Baton Rouge Parish. (Item #11)(7/1/18)  
Present law, relative to avails of the automobile rental tax collected in East Baton Rouge Parish, dedicates 40% to the East Baton Rouge Council on Aging; 40% to Capital Area Human Services, and 20% to the Arts Council of Greater Baton Rouge for its operations and programs.  
Proposed law provides for dedication of 40% of the avails to Visit Baton Rouge rather than the East Baton Rouge Council on Aging; otherwise retains present law.

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

  

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

**EXPENDITURE EXPLANATION**

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

**REVENUE EXPLANATION**

Proposed law will redirect 40% of the local tax derived from the lease or rental of certain automobiles collected in East Baton Rouge (EBR) parish, reducing the annual local funding allocation to the East Baton Rouge Council on Aging (EBRCOA) by approximately \$54,000 and increasing funding for Visit Baton Rouge by a corresponding amount.

Present law levies a state tax of two and one-half percent and a local tax of one-half of one percent on the gross proceeds derived from the lease or rental of certain automobiles. Both the state and local portion of the tax are collected by the Department of Revenue which remits on a monthly basis the local portion back to the parish governing authority in which the tax was collected. Present law further provides that of the local tax collected in EBR parish, 40% is distributed to the EBRCOA. Information provided by the Department of Revenue indicates the EBR Council on Aging receives average collections of \$4,500 per month based on 22 months of available data.

For informational purposes, EBRCOA received \$59,097 in total collections from this source in FY 17, comprising 1.59% of actual revenue collections totaling \$3.71 M. Total Calendar Year 2017 revenue for Visit Baton Rouge was \$4.95 M, primarily derived from the hotel/motel tax.

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}

*Evan Brasseaux*  


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**Evan Brasseaux**  
**Staff Director**