

2022 Regular Session

HOUSE BILL NO. 436

BY REPRESENTATIVE TARVER

TAX/TAX REBATES: Authorizes a one-time rebate of a portion of state tax revenue to certain taxpayers

1 AN ACT

2 To enact Subpart P-6 of Part II-A of Chapter 1 of Subtitle I of Title 39 of the Louisiana  
3 Revised Statutes of 1950, to be comprised of R.S. 39:100.117, and Chapter 5 of  
4 Subtitle VII of Title 47 of the Louisiana Revised Statutes of 1950, to be comprised  
5 of R.S. 47:6361, relative to rebates of certain state funds; to provide for the rebate  
6 of certain state funds to certain state taxpayers; to provide for the amount, approval,  
7 and issuance of rebates; to authorize the promulgation of rules; to provide for the  
8 recapture of rebates under certain circumstances; to establish a special treasury fund;  
9 to provide for the deposit, use, and investment of monies in the fund; to provide for  
10 an effective date; and to provide for related matters.

11 Be it enacted by the Legislature of Louisiana:

12 Section 1. Subpart P-6 of Part II-A of Chapter 1 of Subtitle I of Title 39 of the  
13 Louisiana Revised Statutes of 1950, comprised of R.S. 39:100.117, is hereby enacted to read  
14 as follows:

15 SUBPART P-6. LOUISIANA TAXPAYER REBATE FUND

16 §100.117. Louisiana Taxpayer Rebate Fund

17 A. There is hereby created and established in the state treasury, as a special  
18 fund, the Louisiana Taxpayer Rebate Fund, referred to in this Section as the "rebate  
19 fund". The treasurer is authorized and directed to transfer on or before June 30,

1        2022, an amount equal to three hundred million dollars from the state general fund  
2        for Fiscal Year 2021-2022 for deposit into the rebate fund.

3                B. Monies in the fund shall be appropriated to the state treasurer to be used  
4        to pay one-time rebates to Louisiana taxpayers approved by the secretary of the  
5        Department of Revenue pursuant to the provisions of R.S. 47:6361. Any unobligated  
6        balance in the rebate fund on June 30, 2023, shall be transferred to the state general  
7        fund.

8                C.(1) The monies in the rebate fund shall be invested in the same manner as  
9        monies in the state general fund. Except as provided in Paragraph (2) of this  
10       Subsection, interest earned on the investment of monies in the rebate fund shall be  
11       deposited in and credited to the rebate fund.

12               (2) The treasurer shall transfer any monies credited into the rebate fund from  
13       interest or investment earnings after June 30, 2023, into the state general fund.

14       Section 2. Chapter 5 of Subtitle VII of Title 47 of the Louisiana Revised Statutes of  
15       1950, comprised of R.S. 47:6361, is hereby enacted to read as follows:

16                        CHAPTER 5. LOUISIANA TAXPAYER REBATE

17        §6361. Rebate; Louisiana taxpayers

18                A.(1)(a) There shall be allowed a one-time rebate for certain Louisiana  
19       residents who were required to file a Louisiana individual income tax return for tax  
20       year 2021. In order to be eligible for the rebate, the resident's adjusted gross income  
21       as defined in R.S. 47:293 as reported on the resident's 2021 Louisiana individual  
22       income tax return must be less than one hundred fifty thousand dollars. Except as  
23       provided in Paragraph (2) of this Subsection, the amount of the rebate shall be as  
24       follows:

25                (i) For a Louisiana resident whose adjusted gross income is less than one  
26       hundred thousand dollars, one hundred twenty-five dollars.

27                (ii) For a Louisiana resident whose adjusted gross income is one hundred  
28       thousand dollars or more but less than one hundred twenty-five thousand dollars, one  
29       hundred dollars.

1           (iii) For a Louisiana resident whose adjusted gross income is one hundred  
2           twenty-five thousand dollars or more but less than one hundred fifty thousand  
3           dollars, seventy-five dollars.

4           (iv) No rebate shall be paid to a Louisiana resident whose adjusted gross  
5           income is one hundred fifty thousand dollars or more.

6           (b) In the case of a joint return filed by Louisiana residents who are husband  
7           and wife pursuant to R.S. 47:101(B), both the husband and wife shall each qualify  
8           for a rebate if eligible in an amount based on their adjusted gross income as provided  
9           for in Subparagraph (a) of this Paragraph.

10           (2) The amount of the rebate authorized pursuant to the provisions of  
11           Paragraph (1) of this Subsection, shall be increased by one hundred twenty-five  
12           dollars per dependent claimed by the Louisiana resident on the resident's Louisiana  
13           individual income tax return filed for tax year 2021 for up to a maximum of two  
14           dependents.

15           (3) If the Louisiana resident's Louisiana individual income tax return for tax  
16           year 2021 has not been filed at the time of applying for the rebate authorized  
17           pursuant to the provisions of this Section, the Louisiana individual income tax return  
18           for tax year 2020 may be used in lieu of the Louisiana individual income tax return  
19           for tax year 2021 to determine eligibility and the amount of the rebate.

20           B. A Louisiana resident shall apply to the secretary of the Department of  
21           Revenue, referred to in this Section as the "secretary", for the one-time rebate in a  
22           manner and on a form prescribed by the secretary. The secretary shall accept  
23           applications for the rebate beginning October 1, 2022, through December 31, 2022.  
24           The secretary shall verify each applicant's eligibility for the one-time rebate and shall  
25           send a certified list of eligible applicants and approved one-time rebate amounts to  
26           the treasurer. The treasurer shall make and credit rebate payments from the  
27           Louisiana Taxpayer Rebate Fund as established in R.S. 39:100.117 within ten days  
28           of receiving the certified list of approved applicants from the secretary. The total  
29           amount of rebates issued pursuant to the provisions of this Section shall not exceed

1 three hundred million dollars. However, the treasurer may pay additional rebates if  
2 monies are made available for the payment of these rebates and the payment of  
3 additional rebates is approved by the Joint Legislative Committee on the Budget.

4 C. Notwithstanding any provision of law to the contrary, the one-time rebate  
5 provided for in this Section shall be exempt from seizure as other income and  
6 property are exempt from seizure pursuant to R.S. 13:3881; however, the one-time  
7 rebate may be subject to seizure for payment of spousal or child support.

8 D. The secretary may promulgate rules in accordance with the  
9 Administrative Procedure Act, including emergency rules, as are necessary to  
10 implement the provisions of this Section, including rules related to the recapture of  
11 the one-time rebate if an applicant is subsequently determined to be ineligible for the  
12 rebate. The recapture of a rebate shall be an obligation to be collected and accounted  
13 for in the same manner as if it were a tax due to the secretary.

14 Section 3. This Act shall become effective June 30, 2022, or upon signature by the  
15 governor, whichever is earlier.

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DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, 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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HB 436 Original

2022 Regular Session

Tarver

**Abstract:** Authorizes a one-time rebate for La. residents who file La. individual income tax returns which reflect adjusted gross income of less than \$150,000 for the 2020 tax year.

Proposed law establishes a one-time rebate for La. residents required to file La. individual income tax returns for tax year 2021. In order to be eligible for the rebate, the resident's adjusted gross income as defined in present law as reported on the resident's 2021 La. individual income tax return must be less than \$150,000. The amount of the rebate shall be as follows:

- (1) \$125 for a La. resident whose adjusted gross income is less than \$100,000.
- (2) \$100 for a La. resident whose adjusted gross income is \$100,000 or more but less than \$125,000.
- (3) \$75 for a La. resident whose adjusted gross income is \$125,000 or more but less than \$150,000.

- (4) No rebate is authorized for a La. resident with an adjusted gross income of \$150,000 or more.

Proposed law provides that in the case of a joint return filed by La. residents who are husband and wife, both the husband and wife shall each qualify for a rebate in the amount eligible based on their adjusted gross income as provided in proposed law.

Proposed law authorizes the amount of the one-time rebate to be increased by \$125 per dependent claimed by the La. resident on the resident's La. individual income tax return for tax year 2021 for up to a maximum of two dependents.

Proposed law provides that if the La. resident's La. individual income tax return for tax year 2021 has not been filed at the time of applying for the rebate, the La. individual income tax return for tax year 2020 may be used in lieu of the 2021 La. individual income tax return to determine eligibility and the amount of the rebate.

Proposed law requires a resident to apply to the secretary of the Dept. of Revenue, hereinafter "secretary", for the one-time rebate in a manner and on a form prescribed by the secretary. Further requires the secretary to accept rebate applications from Oct. 1, 2022, through Dec. 31, 2022.

Proposed law requires the secretary to verify an applicant's eligibility for the rebate and to send a certified list of eligible applicants and approved one-time rebate amounts to the treasurer. Further requires the treasurer to make and credit rebate payments from the La. Taxpayer Rebate Fund as established in proposed law within 10 days of receiving the certified list of approved applicants from the secretary.

Proposed law limits the total amount of rebates issued to \$300M; however, the treasurer may pay additional rebates if monies are made available for the payment of these rebates and the payment of additional rebates is approved by the Joint Legislative Committee on the Budget.

Proposed law authorizes the secretary to promulgate rules in accordance with the Administrative Procedure Act, including emergency rules as deemed necessary to implement the provisions of proposed law, including rules related to the recapture of the one-time rebate if an applicant is subsequently determined to be ineligible for the rebate.

Proposed law establishes the La. Taxpayer Rebate Fund (rebate fund) as a special fund in the state treasury. Requires monies in the rebate fund to be invested in the same manner as monies in the state general fund and for interest earnings to be deposited into the rebate fund.

Proposed law authorizes and directs the treasurer to transfer an amount equal to \$300M from the state general fund for FY 2021-2022 into the rebate fund on or before June 30, 2022, to be used to pay one-time rebates to La. taxpayers approved by the secretary pursuant to proposed law. Further requires any unobligated balance in the rebate fund on June 30, 2023, and monies credited into the fund after June 30, 2023, from interest or investment earnings to be transferred to the state general fund.

Effective June 30, 2022, or upon signature of governor, whichever is earlier.

(Adds R.S. 39:100.117 and R.S. 47:6361)