

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 614** HLS 26RS 1105

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

| | | |
|-----------------------------------|---------|--------------------------------|
| Date: March 18, 2026 | 3:29 PM | Author: JACKSON |
| Dept./Agy.: Revenue | | Analyst: Mimi Blanchard |
| Subject: Sales Tax Rebates | | |

TAX/TAX REBATES OR +\$95,463 SG EX See Note Page 1 of 1

Authorizes a rebate of state sales taxes paid by businesses on lodging and meals for persons performing disaster or emergency-related work

Proposed law authorizes a state sales tax rebate equal to the actual amount of sales tax paid on lodging services and prepared meals for businesses that deploy personnel to perform disaster or emergency-related work in Louisiana during a disaster period. Eligible purchases must be made during the disaster period by a person performing such work in connection with a declared state disaster or emergency. No rebates shall be paid on or after January 1, 2032.

Effective August 1, 2026.

| EXPENDITURES | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | 5 -YEAR TOTAL |
|---------------------|-----------------|-----------------|------------------|------------------|------------------|------------------|
| State Gen. Fd. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Agy. Self-Gen. | \$95,463 | \$98,327 | \$101,277 | \$104,315 | \$107,444 | \$506,826 |
| 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 | \$95,463 | \$98,327 | \$101,277 | \$104,315 | \$107,444 | \$506,826 |

| REVENUES | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | 5 -YEAR TOTAL |
|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|---------------|
| State Gen. Fd. | DECREASE | DECREASE | DECREASE | DECREASE | DECREASE | |
| 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 | | | | | | |

EXPENDITURE EXPLANATION

Proposed law is anticipated to increase SGR expenditures within the Department of Revenue (LDR) beginning in FY 27. LDR anticipates one additional Revenue Tax Specialist (salary and related benefits of \$95,463) will be needed to administer the new sales tax rebate, with annual market rate adjustments made each year in FY 28 and beyond.

The LFO believes that LDR may require additional resources to address workload demands, possibly short to mid-term, in the event a significant natural disaster may occur (e.g. Hurricane Katrina). Any such increased expenditures are likewise speculative and not reflected in the expenditure block of this fiscal note.

Note: Increases in SGR within LDR result in less monies reverted to SGF at the end of the fiscal year.

REVENUE EXPLANATION

Proposed law will result in an indeterminable decrease in SGF revenues, dependent on the number of declared state disasters or emergencies that occur between August 1, 2026 and January 1, 2032. The magnitude of the revenue loss will also depend on the number of businesses deploying personnel to perform disaster or emergency-related work in Louisiana and the amount of qualifying lodging and prepared food purchases for which rebates are claimed. Because the number and severity of disaster or emergency declarations cannot be predicted, the fiscal impact cannot be directly quantified; however, given the historical frequency of such declarations in Louisiana, revenue loss is anticipated.

For illustrative purposes, there were 15 new state of emergency declarations in 2024 and 4 disaster declarations. In 2025 there were 20 new state of emergencies declared. 1 state of emergency has been declared in 2026 to date. Several renewals of state of emergency declarations happen each year, extending declarations that may be years or decades in the past. It is unclear how the bill treats these. The LFO assumes proof of current deployment would be required to claim the rebate.

NOTE: The dual referral of this fiscal note under the provisions of Senate Rule 13.5.2 reflect a likelihood that a significant disaster/disasters will occur within the three year window and result in a potential revenue impact in excess of \$500,000 statewide in the aggregate.

Senate
 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}

Alan M. Boxberger
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Legislative Fiscal Officer