

LEGISLATIVE FISCAL OFFICE

Fiscal Note



Fiscal Note On: **HB 101** HLS 051ES 221
 Bill Text Version: **REENGROSSED**
 Opp. Chamb. Action: **w/ SEN COMM AMD**
 Sub. Bill For.:
 Proposed Amd.:

Date: November 21, 2005 3:16 PM	Author: RICHMOND
Dept./Agy.: Office of Financial Institutions	Analyst: Charley Rome
Subject: Expands LCDFI Eligible Areas	

TAX CREDITS RE1 NO IMPACT GF RV See Note Page 1 of 1

TAX CREDITS: Authorizes Louisiana Community Development Financial Institutions to include investments in areas affected by Hurricanes Katrina and Rita.

Relative to the Louisiana Community Development Financial Institution Act, the proposed law expands the definition of "low-income community" to include any community located in an area with respect to which a major disaster has been declared by the president under Section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act by reason of Hurricane Katrina or Rita (in R. S. 51:3084(11)(b)). The bill also amends Title 47:6016(B)(4) to state that "qualified equity investments" and "qualified low-income community investments", for purposes of the New Markets Tax Credit, have the same meaning as being expanded in this bill relative to the Louisiana Community Development Financial Institution program. Effective upon signature of governor or lapse of time for gubernatorial action.

EXPENDITURES	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>5 -YEAR TOTAL</u>
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>5 -YEAR TOTAL</u>
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

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

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure. The Revenue Estimating Conference has already included the maximum tax credits allowable under current law for both of these programs into its forecasts; the Louisiana Community Development Financial Institution program and the New Markets Tax Credit program. As such, expanding the geographical areas eligible for participation in these programs will have no affect on the current state revenue forecast.

Senate

Dual Referral Rules

House

13.5.1 >= \$500,000 Annual Fiscal Cost

6.8(F) >= \$500,000 Annual Fiscal Cost

13.5.2 >= \$500,000 Annual Tax or Fee Change

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

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