

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 169** HLS 14RS 155

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> February 25, 2014 10:56 AM	<b>Author:</b> HOWARD
<b>Dept./Agy.:</b> Revenue	<b>Analyst:</b> Deborah Vivien
<b>Subject:</b> Dedicates 15% of Beer Tax to Wounded Warriors	

TAX/ALCOHOLIC BEVERAGE OR -\$5,325,000 GF RV See Note Page 1 of 1  
Dedicates a portion of the state excise tax levied on beverages of low alcoholic content to the La. Wounded Warriors Fund

Current law imposes a \$10 per barrel state tax on (whether 31 gallons or a partial barrel) low alcoholic content beverages handled in Louisiana. The proceeds are deposited into the state general fund.

Proposed law retains current law and dedicates 15% of the proceeds of the state tax to the Louisiana Wounded Warrior Fund, which is also created in this bill. All unencumbered money shall remain in the fund with interest credited to the state general fund. The new dedicated fund is to be used for purposes solely related to the rehabilitation of LA veterans wounded while serving overseas in the Persian Gulf War and any subsequent wartime activities.

Effective July 1, 2014.

<b>EXPENDITURES</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>5 -YEAR TOTAL</b>
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>REVENUES</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	(\$5,325,000)	(\$5,325,000)	(\$5,325,000)	(\$5,325,000)	(\$5,325,000)	<b>(\$26,625,000)</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$5,325,000	\$5,325,000	\$5,325,000	\$5,325,000	\$5,325,000	<b>\$26,625,000</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

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

**REVENUE EXPLANATION**

The effect of this bill would be to reduce state general fund receipts by about \$5.3 M per year by diverting these receipts into the newly created LA Wounded Warrior Fund. Proceeds of the state excise tax on low alcoholic content beverages handled in LA have remained approximately \$35.5 M annually and are expected to remain roughly the same in the future. Dedicating 15% of the proceeds would result in about \$5.325 M being placed into the new statutory dedication instead of the state general fund.

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>
<input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}		<input checked="" type="checkbox"/> 6.8(F) >= \$100,000 SGF Cost {H & S}
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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