

State of Louisiana  
Department of Revenue

JOHN BEL EDWARDS  
Governor



KIMBERLY LEWIS ROBINSON  
Secretary

**Task Force on Structural Changes in Budget and Tax Policy**

Louisiana Department of Revenue  
LaSalle Building  
617 North Third Street,  
Baton Rouge, LA 70802

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August 29, 2016 and August 31, 2016

**Notice of Meetings**

Monday, August 29, 2016  
9:00 a.m.

House Committee Room 5  
Louisiana House of Representatives  
And

Wednesday, August 31, 2016  
9:00 a.m.

House Committee Room 5  
Louisiana House of Representatives

**AGENDA**

- I. Call to Order
- II. Review and Approval of Minutes
- III. UAL Presentation, Paul Richmond, Legislative Auditor's Office
- IV. Goals of Budget and Tax Policy
  - A. Long-term stability
  - B. Fairness
  - C. Competitive environment
  - D. Administrative simplicity
- V. Spending – Estimated Expenditures
- VI. Tax Alternatives
  - A. Maintain in current for or with minor adjustments
    1. Excise taxes – tobacco and alcoholic beverages

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2. Severance taxes
  3. Gaming
  4. Excess license tax
  5. Other topics
- B. Corporate Income and franchise**
1. Administration of recently passed changes
  2. Constitutional Amendment to eliminate federal tax liability and reduce rate from 8% to 6.5%
  3. Other topics
- C. Sales Tax**
1. Evaluate tax base consistent with fairness among taxpayers, economic competitiveness for business environment, and stability for public services
  2. Establish tax rate consistent with use of sales tax for state's budget
  3. Tax base and tax rate will determine role of sales tax in overall budget
  4. Work with local governments for administration of state and local sales tax to be consistent with national prerequisites for sales tax administration given changing nature of retail activities
- D. Individual Income tax**
1. Evaluate tax base consistent with fairness among taxpayers, economic competitiveness for business environment and stability for revenue collections
    - a) Major tax exemptions
    - b) Major deductions
  2. Evaluate tax rates
    - a) single rate
    - b) multiple rates consistent with current structure
  3. evaluate tax credits that reduce tax liability
- E. Exemptions, deductions, and credits**
1. Federal tax liability
  2. Excess itemized tax deduction
  3. Retirement exemptions
  4. Other exemptions
  5. Inventory tax credit
  6. Historic Rehabilitation Tax Credit
  7. Education Credits
  8. LED Administered Programs
    - a. Enterprise Zone
    - b. Quality Jobs
    - c. Angel Investor Tax Credit
    - d. Digital Interactive Media and Software Development
    - e. Industrial Tax Exemption
    - f. Motion Picture

