

2016 Regular Session

HOUSE BILL NO. 717

BY REPRESENTATIVE STOKES

REVENUE DEPARTMENT: Provides relative to the funding of the operations of the Department of Revenue

1 AN ACT

2 To amend and reenact Section 2 of Act No. 198 of the 2014 Regular Session of the
3 Legislature and to enact R.S. 47:1608, relative to the Department of Revenue; to
4 provide for the funding of the Department of Revenue; to provide for the disposition
5 of certain taxes, penalties, and interest collected by the department; to provide for
6 certain requirements and limitations; to provide for certain interagency transfers; to
7 provide for an effective date; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. Section 2 of Act No. 198 of the 2014 Regular Session of the Legislature
10 is hereby amended and reenacted to read as follows:

11 * * *

12 Section 2. The Board of Tax Appeals and the secretary of the Department
13 of Revenue ~~may~~ shall enter into an agreement for a fixed annual interagency transfer
14 to the board as payment in lieu of filing fees owed by the secretary. Subject to
15 appropriation by the Legislature, the amount of monies agreed upon for Fiscal Year
16 2016-2017 shall be fixed at one-hundredth of the one percent of taxes and fees to be
17 retained by the department according to the official forecast for Fiscal Year 2016-
18 2017 adopted by the Revenue Estimating Conference on the date of the enactment
19 of House Bill No. 1 of the 2016 Regular Session of the Legislature. Subject to
20 appropriation by the Legislature, for Fiscal Year 2017-2018 and each fiscal year

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

1 D. The provisions of Paragraph (1) of Subsection A this Section shall apply
 2 to taxes and interest collected by the Department of Revenue pursuant to any
 3 provision of Title 26 of the Louisiana Revised Statutes of 1950, as amended.

4 Section 3. This Act shall become effective upon signature by the governor or, if not
 5 signed by the governor, upon expiration of the time for bills to become law without signature
 6 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 7 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 8 effective on the day following such approval.

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)]

HB 717 Engrossed

2016 Regular Session

Stokes

Abstract: Provides for the disposition of all state taxes, interest, and penalties collected by the Dept. of Revenue and designates a portion of these collections to be self-generated revenue of the department.

Proposed law provides that beginning July 1, 2016, an amount equal to 1% of the state taxes and interest collected by or on behalf of the Dept. of Revenue (DOR) shall be designated as self-generated revenue of the department.

Proposed law provides, with respect to penalties collected by DOR, that from July 1, 2016, and thereafter, no more than 25% of penalties shall be designated as self-generated revenue of DOR and the remaining balance of penalties shall be deposited into the state general fund.

Proposed law requires the self-generated revenues to be used by DOR for the administration and collection of taxes and for operation of the department.

Proposed law exempts amounts collected by DOR that are required to be deposited into the Transportation Trust Fund or any other taxes required to be deposited into other special treasury funds pursuant to present constitution from the provisions of proposed law.

Present law authorizes an interagency transfer between the DOR and the Board of Tax Appeals in lieu of filing fees.

Proposed law changes present law to require rather than authorize the interagency transfer. For FY 2016-17, fixes the amount of the monies transferred at 1/100th of 1% of taxes and fees retained by DOR according to the official forecast adopted by the Revenue Estimating Conference. Beginning FY 2017-18, sets the annual amount as the amount appropriated for the prior fiscal year together with any adjustment made by agreement between the secretary and the board.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends §2 of Act No. 198 of the 2014 R.S.; Adds R.S. 47:1608)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Appropriations to the original bill:

1. Change the determination of the amount annually allocated to the Board of Tax Appeals.
2. Change the percentage of penalties that shall be designated as self-generated revenue of the department in FY 2016-17 and 2017-18 from an amount that is reduced over time to a fixed amount not more than 25%.
3. Add specification that proposed law also applies to taxes and interest collected by DOR pursuant to present law relative to alcoholic beverages.
4. Make technical changes.