

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 772** HLS 16RS 1267

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action: **w/ SEN COMM AMD**

Proposed Amd.:

Sub. Bill For.:

Date: May 24, 2016	10:48 AM	Author: ABRAMSON
Dept./Agy.: Revenue		Analyst: Deborah Vivien
Subject: Procurement Processing Company		

TAX/TAX REBATES

EG1 NO IMPACT GF RV See Note

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Provides relative to certain rebate programs

Proposed law defines non-transactional event company (company) that has agree to absorb state sales tax, has advertised the same and has a contract with a state or local government that protects from a change in taxation. The company must also have a contract with the state or local government involving a special event requiring protection from sales tax as a condition of the award, and the special event must be held in a facility owned by the state or local government.

Proposed law also defines a non-transactional event rebate which allows a contract between the company or a political subdivision which includes the absorption of sales tax provision and provides for a subsequent non-transactional rebate that will serve as fully remitted sales tax fulfilling the requirements of LDR and the political subdivision.

EXPENDITURES	2016-17	2017-18	2018-19	2019-20	2020-21	5 -YEAR TOTAL
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	2016-17	2017-18	2018-19	2019-20	2020-21	5 -YEAR TOTAL
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 bill appears to clarify the position of the state in regard to the existing contracts with the New Orleans Saints, Pelicans and possibly other scheduled events at the Superdome and New Orleans Arena as may have been interpreted to be impacted by the state sales tax base expansion of the 2016 First Extraordinary Session. There is no fiscal impact since this remains the state's position in regard to the contracts, which were initially interpreted by the state to supersede the expansion provisions of the state sales tax base.

Senate Dual Referral Rules House

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|---|--|
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal 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} |

John D. Carpenter
Legislative Fiscal Officer