

HOUSE SUMMARY OF SENATE AMENDMENTS**HB 1120****2016 Regular Session****Schroder**

TAX/TAXATION: Creates the Louisiana Tax Institute within the Dept. of Revenue as an advisory body on tax related matters

Synopsis of Senate Amendments

1. Delete requirement that the members appointed from the law schools be a professor who teaches classes on tax law at the respective law school.
2. Add an ex-officio member to the Institute appointed by the Board of Tax Appeals from among the Board's members.
3. Add the executive director from the La. Assessor's Association to the executive directors that the Institute is required to collaborate with when addressing policy issues concerning parish and local government tax issues.
4. Add requirement that the Institute work collaboratively with the Public Affairs Research Council, the Council for A Better La., the La. Association of Business and Industry, Blueprint La., the Committee of 100 La., and the La Budget Project.

Digest of Bill as Finally Passed by Senate

Proposed law establishes the Louisiana Tax Institute, hereinafter "Institute", within the Dept. of Revenue as the official advisory tax law revision and tax law reform agency of the state.

The Institute shall be governed by a board of eight members as follows:

- (1) The secretary of the Dept. of Revenue, or his designee.
- (2) A member of the governor's executive staff appointed by the governor.
- (3) A member from the Society of La. Certified Public Accountants (CPAs) appointed by the chairman of the Board of the Society of La. CPAs from a list of three names submitted by the organization.
- (4) One member representing the Taxation Section of the La. State Bar Association (LSBA) appointed by the president of the LSBA from a list of nominees submitted by the Taxation Section of the bar.
- (5) One member from the LSU Law Center appointed by the chancellor of the law center.
- (6) One member from the Tulane Law School appointed by the dean of the law school.
- (7) One member from the Southern University Law Center appointed by the chancellor of the law school.
- (8) One member from the Loyola College of Law appointed by the dean of the law school.
- (9) One ex-officio non-voting member appointed by the Board of Tax Appeals from among its members. This member shall be a board certified tax law specialist.

Proposed law provides for the terms of the members of the board, including the staggering of the initial terms and the filling of vacancies. Further provides that members of the board shall serve without compensation; however, members may receive reimbursement for travel expenses in accordance with the guidelines of the entity they represent.

Proposed law provides that the purpose of the Institute is to promote and encourage the clarification and simplification of the state's tax laws and its political subdivisions. To accomplish these goals, the institute is required to:

- (1) Consider needed improvements in both substantive and procedural tax law and make recommendations concerning this to the legislature.
- (2) Examine and study existing state laws to discover defects and inequities in the tax laws and make recommendations concerning these laws.
- (3) Cooperate with professional organizations to receive, consider, and propose changes to the tax laws as recommended by these bodies.
- (4) Receive and consider suggestions based on decisions of the La. Board of Tax Appeals, other state courts, and the public generally, as to needed changes to existing tax law.
- (5) Recommend changes in the tax law as needed to modify, conform, and eliminate inequities and to bring the state's tax law into harmony with other jurisdictions.
- (6) Render reports, as needed, to the legislature, and if it deems advisable, to accompany its reports with proposed bills to carry out any of its recommendations.
- (7) Recommend the repeal of obsolete provisions in the tax laws.
- (8) Organize and conduct meetings and seminars for the discussion of current problems in La. tax laws.
- (9) Review proposed and pending legislation and make recommendations.
- (10) Work collaboratively with the executive directors of certain local government organizations when addressing policy issues concerning parish and local government tax issues.
- (11) Work collaboratively with the the Public Affairs Research Council, the Council for A Better La., the La. Association of Business and Industry, Blueprint La., the Committee of 100 La., and the La. Budget Project.

Proposed law requires that any recommendation or report of the Institute shall require the approval of three-quarters of the members of the board.

Proposed law requires the Institute, in submitting reports to the legislature, to act solely in an advisory capacity. Its reports, studies, and recommended publications shall be printed and distributed through the secretary of state in the same manner as acts of the legislature.

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

(Adds R.S. 47:1525)