



**OFFICE OF LEGISLATIVE AUDITOR  
Fiscal Note**

Fiscal Note On: **HB 183** HLS 17RS 842  
 Bill Text Version: **ORIGINAL**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> April 10, 2017 4:23 PM	<b>Author:</b> RICHARD
<b>Dept./Agy.:</b> Lafourche Parish Sales Tax District No. 4	<b>Analyst:</b> Sarah Futch
<b>Subject:</b> Additional Sales Tax	

TAX/SALES-USE, LOCAL OR +\$3,022,882 LF RV See Note Page 1 of 1  
 Authorizes Sales Tax District No. 4 of Lafourche Parish to levy an additional sales tax

**Purpose of Bill:** This bill authorizes the governing authority of Lafourche Parish Sales Tax District No. 4 to levy and collect an additional sales and use tax not to exceed 0.3%, subject to approval by a majority of voters in the district. In addition, this bill provides that proceeds shall be used for any lawful purpose of the district.

EXPENDITURES	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>5 -YEAR TOTAL</u>
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	\$750,000	\$1,530,000	\$1,560,600	\$1,591,812	\$1,623,648	\$7,056,060
<b>Annual Total</b>	<b>\$750,000</b>	<b>\$1,530,000</b>	<b>\$1,560,600</b>	<b>\$1,591,812</b>	<b>\$1,623,648</b>	<b>\$7,056,060</b>

  

REVENUES	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>5 -YEAR TOTAL</u>
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	\$1,496,476	\$3,022,822	\$3,083,342	\$3,145,007	\$3,207,907	\$13,955,554
<b>Annual Total</b>	<b>\$1,496,476</b>	<b>\$3,022,822</b>	<b>\$3,083,342</b>	<b>\$3,145,007</b>	<b>\$3,207,907</b>	<b>\$13,955,554</b>

**EXPENDITURE EXPLANATION**

**This measure may increase local governmental expenditures by approximately \$750,000 beginning in January 2018 and increasing to \$1,623,648 by 2022.**

This bill provides for the use of the sales tax proceeds for any lawful purpose of the district, including the funding of a portion of the proceeds into bonds as provided by law. According to a representative from the parish, currently some Solid Waste expenses are being paid from other departments. When the tax increase becomes effective, it is anticipated that all Solid Waste expenses will be properly allocated to the Solid Waste fund. There will also be some local costs associated with voter approval of the additional sales tax (\$27,500 to \$110,000), depending upon when the election is held.

This bill may also increase expenses of the Lafourche Parish School Board's Sales Tax Department as the department is responsible for collection.

Note: The estimates in the expenditure table include a 2% growth factor.

**REVENUE EXPLANATION**

**This measure may increase local governmental revenues by approximately \$1,496,476 beginning in January 2018 and increasing to \$3,207,907 by 2022, pending voter approval.**

A representative of the Lafourche Parish Government provided that a sales and use tax increase of up to 0.3% would create an estimated increase of \$3,000,000 per year in sales tax revenue. Since voter approval is required, the representative anticipated that the earliest effective date would be January 1, 2018 if the voters approve the measure during the October 14, 2017 election.

This bill may also increase revenues to the Lafourche Parish School Board's Sales Tax Department as the department receives 0.9% of the collections as a collection cost, which is used to operate the Sales Tax Department.

Note: The estimates in the revenue table include a 2% growth factor.

Senate  
 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}  
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

House  
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}  
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

*Michael G. Battle*  
**Michael G. Battle**  
**Manager, Advisory Services**