

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 259** SLS 18RS 407
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: March 12, 2018 10:02 AM	Author: CARTER, T.
Dept./Agy.: REVENUE	Analyst: Benjamin Vincent
Subject: Collection of Disallowed Nonrefundable Tax Credits	

COMMERCIAL REGULATIONS OR SEE FISC NOTE GF RV Page 1 of 1
 Provides relative to collection of certain disallowed tax benefits from taxpayers. (8/1/18)

Current law provides procedure for the LA Dept. of Revenue (LDR) Secretary to collect rebates or refundable tax credits previously granted to a taxpayer, but later disallowed.

Proposed law subjects the collection of all tax benefits, including nonrefundable tax credits, exemptions, and deductions, that were initially granted but later disallowed to the same procedure as collection of disallowed rebates or refundable credits.

Effective August 1, 2018.

EXPENDITURES	2018-19	2019-20	2020-21	2021-22	2022-23	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	2018-19	2019-20	2020-21	2021-22	2022-23	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
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						

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

REVENUE EXPLANATION

Proposed law authorizes the Department of Revenue (LDR) to use existing collection remedies for disallowed refundable tax credits and rebates for the collection of all tax benefits that were initially granted but later disallowed, including nonrefundable credits.

According to LDR, proposed law would allow the Department to extend the collection of disallowed tax benefits two years beyond prescription. To the extent enforcement efforts are enhanced, some marginal increase in collections may be realized.

Senate Dual Referral Rules
 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}

Gregory V. Albrecht
Chief Economist