



**OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note**

Fiscal Note On: **HB 96** HLS 18RS 491
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.: **REVISED**

Date: March 20, 2018 2:12 PM	Author: RICHARD
Dept./Agy.: Lafourche Parish Sales Tax District No. 4	Analyst: Elizabeth Caillier
Subject: Local sales tax	

TAX/SALES-USE, LOCAL OR +\$1,361,928 LF RV See Note Page 1 of 1
 Provides relative to local sales taxes in Lafourche Parish

Purpose of Bill: Provides for the reinstatement of the levy to the full 1% tax rate authorized by the voters in 1986 which was reduced in 1996 to 7/10%. The increased tax rate may exceed the combined rate limit and shall not affect previously granted tax authority of any other local government entity.

EXPENDITURES	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</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	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</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	\$1,361,928	\$2,723,856	\$2,778,333	\$2,833,890	\$2,890,578	\$12,588,585
Annual Total	\$1,361,928	\$2,723,856	\$2,778,333	\$2,833,890	\$2,890,578	\$12,588,585

EXPENDITURE EXPLANATION

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

According to a representative from the parish, the solid waste programs and facilities operated at a deficit of \$2.4 million for 2017. The expected shortfall for fiscal year 2018 and beyond is estimated at \$2.6 million. The revenue generated from this measure will be used to continue operations of the solid waste management programs and facilities. Any excess in the fund will be used to cover future expenses.

REVENUE EXPLANATION

This measure may increase local governmental revenues by approximately \$1,361,928 beginning in FY 2019 and increasing to \$2,890,578 by 2023.

Voters authorized a 1% sales tax in 1986. Effective Nov. 1, 1996, the parish council lowered the sales tax to 0.7%. This bill would allow the sales tax district to collect the full 1% authorized by the voters in 1986. According to a representative from the parish, the intention is that the 0.3% sales tax increase would be reinstated by vote of the Lafourche Parish Council by July 1, 2018.

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 Dept.

Note: The estimates in the revenue table include a 2% growth factor and are based on a January to December Fiscal Year.

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| <u>Senate</u>
<input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}
<input checked="" type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} | <u>House</u>
<input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} |
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Michael G. Battle
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