

RÉSUMÉ DIGEST

ACT 87 (HB 342)

2018 Regular Session

Abramson

Existing law requires the Dept. of Revenue (DOR) to prepare a tax exemption budget each year that includes state revenue loss for the preceding three years caused by each tax exemption, deduction, exclusion, and credit authorized by law. Further requires state agencies, other than DOR, that administer tax credits and rebates to report information regarding how much tax credits and rebates the agency administers cost the state each year.

Prior law required the report from state agencies that administer tax credits and rebates to be submitted annually.

New law changes the date the report is submitted from annually to even-numbered years.

Prior law required the annual report from the DOR and all agencies that administer tax credits and rebates to be submitted to the legislature no later than March 1st each year.

New law changes the date the annual report is to be submitted to the legislature from March 1st each year to April 1st each even-numbered year.

New law requires, beginning in 2019, that the reports for tax incentives that include a job creation component to include the number of employees hired who had a La. drivers license at the time that they were hired.

New law requires, beginning in 2020, that DOR perform a comprehensive return on investment analysis for all tax incentives for which the revenue loss was \$1M or more in the previous fiscal year. Further requires the report to rank tax incentives by return on investment.

Existing law requires the House Committee on Ways and Means and the Senate Committee on Revenue and Fiscal Affairs to conduct hearings on the reports. Prior law required the hearings to be conducted every odd-numbered year, to be concluded 30 days before the beginning of the Regular Session of the Legislature.

New law changes the deadline for these hearings to 30 days prior to the beginning of the Regular Session of the Legislature during odd-numbered years.

Effective upon signature of governor (May 10, 2018).

(Amends R.S. 47:1517.1(A), (B)(intro. para.) and (1), and (G); Adds R.S. 47:1517.1(B)(4) and (5))