

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HCR 40** HLS 20RS 1344
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: May 3, 2020 5:35 PM	Author: WRIGHT
Dept./Agy.: LA Dept. of Revenue	Analyst: Zachary Rau
Subject: COVID-19 Effects on LA Business Revenues	

TAX OR INCREASE GF EX See Note Page 1 of 1

Directs the Dept. of Revenue to develop data on the projected impact the COVID-19 pandemic will have on Louisiana business revenue in 2020 and on net operating loss carry forward tax deductions for future tax filings
Proposed resolution directs the LA Dept. of Revenue to develop and publicly publish data on the projected impact of the COVID-19 pandemic on revenues for LA businesses and on net operating loss carry forward deductions for future tax filings.

EXPENDITURES	2020-21	2021-22	2022-23	2023-24	2024-25	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	SEE BELOW	\$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

REVENUES	2020-21	2021-22	2022-23	2023-24	2024-25	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

EXPENDITURE EXPLANATION

Proposed resolution will result in a one-time SGF expenditure of \$25,680 for the LA Dept. of Revenue in FY 21 for programming costs. LDR contemplates carrying out the duties of the resolution by conducting internal analyses and a secure, voluntary online survey sent to select taxpayers representing various populations by a number of criteria (industry types, asset and income sizes, geographic locations, etc.). The surveys would allow taxpayers to securely self-report expected impacts on revenue due to the COVID-19 pandemic. Estimates from the Office of Technology Services provided to LDR indicate an expected cost of \$25,680 to develop the survey and extract the responses in a usable format.

LDR also anticipates marginal printing and mailing costs associated with sending taxpayers survey invitation letters. The department anticipates these expenditures will be absorbed utilizing existing resources.

Note: As a result of expenses associated with this resolution being related to COVID-19, they may potentially be defrayed by federal funds. However, it is unknown at this time if these expenditures will qualify for federal aid disbursed to the state.

REVENUE EXPLANATION

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

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