
DIGEST

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HB 436 Original

2022 Regular Session

Tarver

Abstract: Authorizes a one-time rebate for La. residents who file La. individual income tax returns which reflect adjusted gross income of less than \$150,000 for the 2020 tax year.

Proposed law establishes a one-time rebate for La. residents required to file La. individual income tax returns for tax year 2021. In order to be eligible for the rebate, the resident's adjusted gross income as defined in present law as reported on the resident's 2021 La. individual income tax return must be less than \$150,000. The amount of the rebate shall be as follows:

- (1) \$125 for a La. resident whose adjusted gross income is less than \$100,000.
- (2) \$100 for a La. resident whose adjusted gross income is \$100,000 or more but less than \$125,000.
- (3) \$75 for a La. resident whose adjusted gross income is \$125,000 or more but less than \$150,000.
- (4) No rebate is authorized for a La. resident with an adjusted gross income of \$150,000 or more.

Proposed law provides that in the case of a joint return filed by La. residents who are husband and wife, both the husband and wife shall each qualify for a rebate in the amount eligible based on their adjusted gross income as provided in proposed law.

Proposed law authorizes the amount of the one-time rebate to be increased by \$125 per dependent claimed by the La. resident on the resident's La. individual income tax return for tax year 2021 for up to a maximum of two dependents.

Proposed law provides that if the La. resident's La. individual income tax return for tax year 2021 has not been filed at the time of applying for the rebate, the La. individual income tax return for tax year 2020 may be used in lieu of the 2021 La. individual income tax return to determine eligibility and the amount of the rebate.

Proposed law requires a resident to apply to the secretary of the Dept. of Revenue, hereinafter "secretary", for the one-time rebate in a manner and on a form prescribed by the secretary. Further requires the secretary to accept rebate applications from Oct. 1, 2022, through Dec. 31, 2022.

Proposed law requires the secretary to verify an applicant's eligibility for the rebate and to send a

certified list of eligible applicants and approved one-time rebate amounts to the treasurer. Further requires the treasurer to make and credit rebate payments from the La. Taxpayer Rebate Fund as established in proposed law within 10 days of receiving the certified list of approved applicants from the secretary.

Proposed law limits the total amount of rebates issued to \$300M; however, the treasurer may pay additional rebates if monies are made available for the payment of these rebates and the payment of additional rebates is approved by the Joint Legislative Committee on the Budget.

Proposed law authorizes the secretary to promulgate rules in accordance with the Administrative Procedure Act, including emergency rules as deemed necessary to implement the provisions of proposed law, including rules related to the recapture of the one-time rebate if an applicant is subsequently determined to be ineligible for the rebate.

Proposed law establishes the La. Taxpayer Rebate Fund (rebate fund) as a special fund in the state treasury. Requires monies in the rebate fund to be invested in the same manner as monies in the state general fund and for interest earnings to be deposited into the rebate fund.

Proposed law authorizes and directs the treasurer to transfer an amount equal to \$300M from the state general fund for FY 2021-2022 into the rebate fund on or before June 30, 2022, to be used to pay one-time rebates to La. taxpayers approved by the secretary pursuant to proposed law. Further requires any unobligated balance in the rebate fund on June 30, 2023, and monies credited into the fund after June 30, 2023, from interest or investment earnings to be transferred to the state general fund.

Effective June 30, 2022, or upon signature of governor, whichever is earlier.

(Adds R.S. 39:100.117 and R.S. 47:6361)