

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 244** SLS 22RS 383

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.: **REVISED**

Date: March 25, 2022 9:05 AM	Author: ALLAIN
Dept./Agy.: Louisiana Legislative Auditor	Analyst: Deborah Vivien
Subject: Uniform collection cost reporting mechanism for locals	

TAX/LOCAL OR INCREASE SG EX See Note Page 1 of 1
Requires uniform reporting by local sales tax collectors that are compensated based on cost of collection. (8/1/22)

Proposed law directs the Legislative Auditor and Uniform Local Sales Tax Board to develop a standard audit report format for single collectors of sales and use tax that are paid a collection fee. The report will provide information about collection and disbursement methods and the actual cost of collecting sales and use tax. Collectors will begin using the reports at the end of Calendar Year 2023 or Fiscal Year 2023-24, depending on the operating calendar of the local authority and submit them to the Legislative Auditor 60 days after the end of the operating year. The annual reporting schedule is subject to revision by the Legislative Auditor and Uniform Local Sales Tax Board as necessary.

EXPENDITURES	2022-23	2023-24	2024-25	2025-26	2026-27	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
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>	<u>\$0</u>
Annual Total						
REVENUES	2022-23	2023-24	2024-25	2025-26	2026-27	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>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The Louisiana Legislative Auditor (LLA) and Uniform Local Sales Tax Board indicate that the development of the report and the review of the annual submissions will require additional resources. It is not expected that annual reporting of current collection practices will place a significant burden on local collectors.

Should the report contemplated by the bill require an annual submission and the LLA performs all data collection, manipulation, analysis, instruction, documentation and training, the agency indicates that state general fund in the following amounts are anticipated to be needed: FY 23 \$26,400, FY 24 \$62,400, FY 25 \$139,200, FY 26 \$139,200 and FY 27 \$62,400. LLA developed these expenditure estimates based on similar, but not identical, statutory requirements to monitor and report on Justice System funding schedules. For all instruments under consideration this session, an assessment will be made by the LLA for the cumulative effect of all new legislation to determine if additional resources are needed at that time.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure. The bill simply provides for a reporting mechanism and does not change tax liabilities in any way.

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}

Alan M. Boxberger

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Interim Legislative Fiscal Officer