

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **SB 371** SLS 22RS 521

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> March 23, 2022 9:51 AM	<b>Author:</b> HARRIS, JIMMY
<b>Dept./Agy.:</b> Revenue	<b>Analyst:</b> Emily DiPalma
<b>Subject:</b> Income Tax Checkoff, University of New Orleans Foundation	

TAX/INCOME/PERSONAL EG NO IMPACT SG EX See Note Page 1 of 1  
Establishes an individual income tax refund checkoff donation for the University of New Orleans Foundation. (8/1/22)

Creates an individual income tax checkoff for the University of New Orleans Foundation.

Allows the donation of personal income tax refunds by checkoff to the University of New Orleans Foundation. Donated monies shall be distributed by the Department of Revenue in accordance with statutory procedures for checkoff donations (R.S. 47:120.37).

Effective for taxable years beginning on or after January 1, 2022.

<b>EXPENDITURES</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

  

<b>REVENUES</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

Adding an additional checkoff to the tax return, in isolation, adds upfront costs for the Department of Revenue associated with data processing modifications, accounting, and disbursing of any funds donated. In addition, R.S. 47:120.37(C) authorizes a 20% fee from the donated amounts to defray these costs, and R.S. 47:120.37(B) provides that existing checkoffs be removed from the tax return if they have not generated at least \$10,000 per year for two consecutive years.

**REVENUE EXPLANATION**

There will be no effect on state tax collections since the donations will be provided by refunds. The willingness of taxpayers to donate all or a portion of their tax refunds to any particular organization cannot be predicted. The amount of donations given to any particular organization via checkoff is likely to be small.

Total donations of refunds on individual income tax returns to the 20 organizations available as options equaled \$383,785 in FY21. The Louisiana Food Bank Association received the most donations via this method in FY21 at \$80,045.

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}

**Deborah Vivien**  
**Chief Economist**