



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

Fiscal Note On: **HB 329** HLS 22RS 96  
 Bill Text Version: **REENGROSSED**  
 Opp. Chamb. Action: **W/ SEN FLOOR AMD**  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> May 24, 2022	5:43 PM	<b>Author:</b> ZERINGUE
<b>Dept./Agy.:</b> Revenue		<b>Analyst:</b> Deborah Vivien
<b>Subject:</b> Appropriates judgments from Board of Tax Appeals		

TAX APPEALS/BOARD REF NO IMPACT GF EX See Note Page 1 of 1  
 Provides for the payment of certain judgments issued by the Board of Tax Appeals for approved claims

Current law authorizes Board of Tax Appeals (BTA) judgments for legacy claims against the state of \$20,000 or less to be paid by the Department of Revenue (LDR) to taxpayers without interest or appropriation, totaling up to \$2M annually. Board of Tax Appeals judgments up to \$250,000 require approval of the Litigation Subcommittee of the JLCB before payment without interest or appropriation. Proposed law retains current law regarding claims under \$20,000 and requires judgments of the Board of Tax Appeals between \$20,001 and \$250,000 to be appropriated by the full legislature.

Current law authorizes claims under \$1M to be taken as a non-refundable offset of future tax liabilities for up to 5 years. Proposed law retains current law.

Effective upon signature

EXPENDITURES	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>	<u>5 -YEAR TOTAL</u>
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>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

REVENUES	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>	<u>5 -YEAR TOTAL</u>
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>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

The bill maintains the payment protocol of Board of Tax Appeals judgments for claims against the state of \$20,000 or less, which allows LDR to directly pay these judgments without interest or appropriation up to an aggregate \$2 M per year. The bill impacts judgments of \$20,001-\$250,000 by requiring an appropriation of the full legislature where current law requires only the approval of JLCB. The bill equalizes the treatment of judgments between \$20,001-\$250,000 with judgments over \$250,000.

The estimate of claims impacted by this bill are:


	<b>Claim Amount</b>	<b>Outstanding</b>
<b>Approved but not yet paid</b>	\$20,001-\$250,000	37 claims totaling \$2.6M
<b>Pending claims</b> (final amount may change)	\$20,001-\$250,000	52 claims totaling \$3.7M
<b>TOTAL</b>		89 claims totaling \$6.3M

There is no expenditure impact directly related to this bill because these judgments are currently paid subject to JLCB Litigation Subcommittee approval and, under this bill, will be subject to appropriation. The timing of payments and the amounts of the judgments to be paid are indeterminate in either case, as guided by the will of the legislative bodies.

**REVENUE EXPLANATION**

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

<b>Senate</b> <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H} <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}	<b>House</b> <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S} <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}	
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**Alan M. Boxberger**  
 Interim Legislative Fiscal Officer