

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 75** SLS 23RS 242

Bill Text Version: **REENGROSSED**

Opp. Chamb. Action: **w/ HSE FLOOR AMD**

Proposed Amd.:

Sub. Bill For.:

Date: June 5, 2023	5:14 PM	Author: CONNICK
Dept./Agy.: Department of Revenue		Analyst: Noah O'Dell
Subject: First-Class Mail International with Delivery Confirmation		

REVENUE DEPARTMENT

REF NO IMPACT See Note

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Provides relative to the assessment of taxes by the Department of Revenue. (8/1/23)

Present law requires the secretary of the Louisiana Department of Revenue (LDR) to send a notice by certified mail to a taxpayer against whom an assessment is imposed at the address given in the last report filed by the taxpayer, or, if no report has been timely filed, to any address obtainable from any private or government entity. Present law provides for the self-assessment of taxes and requires the secretary to send a notice demanding payment within thirty calendar days from the date of the notice if the taxpayer fails to accompany his return filed with a proper payment. Present law provides that a taxpayer has the right to pay an assessment under protest or to claim a refund of an assessment after payment.

Proposed law requires the Secretary of LDR to send a notice by First-Class Mail International with Electronic USPS Delivery Confirmation if the notice is to be mailed to an address outside the U.S. Proposed law specifies a taxpayer has the right to pay an assessment under protest within 60 calendar days from the date of the notice. Effective on or after October 1, 2023.

EXPENDITURES	2023-24	2024-25	2025-26	2026-27	2027-28	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

REVENUES	2023-24	2024-25	2025-26	2026-27	2027-28	5 -YEAR TOTAL
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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

There is no anticipated direct material effect on governmental expenditures as a result of this measure. The Louisiana Department of Revenue (LDR) has already started implementing changes to mail international letters via the First-Class Mail International with Electronic USPS Delivery Confirmation.

Proposed law also requires LDR send certified mail if a taxpayer's unpaid amount due exceeds \$1,000. LDR reports notices sent to taxpayers who owe larger amounts are generally sent by certified mail to ensure ample due process. Any costs associated with this measure are assumed to be negligible and absorbed within the department.

REVENUE EXPLANATION

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

Current law allows taxpayers who dispute self-assessed taxes to pay the amount reported under protest or to pay the amount due and claim a refund. A claim for refund for must be filed within three years of December 31st of the year the tax became due or one year from payment, whichever is later. However, there is no time restriction imposed on payment under protest of a self-assessed tax.

Proposed law limits the period during which taxpayers may pay a self-assessed tax under protest to 60 calendar days from the date of the notice.

Senate
 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}

Evan Brasseaux
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