

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 571** HLS 13RS 903

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: May 3, 2013	11:28 AM	Author: ROBIDEAUX
Dept./Agy.: Revenue / DCFS / LED		Analyst: Greg Albrecht
Subject: Rebates		

TAX/TAX REBATES

OR SEE FISC NOTE GF RV

Page 1 of 1

Provides relative to rebates and rebate programs

Proposed law creates a Tax Credit Registry within the Department of Revenue. Provides standard procedures for making rebate payments. Establishes the Family Assistance Rebate Program to aid low income households. Establishes the Assistance for Retirees and Military rebate program to aid these households. Converts a number of existing tax credits and economic development programs into rebate payment programs. Various modifications to certain programs are also made.

EXPENDITURES	2013-14	2014-15	2015-16	2016-17	2017-18	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
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	2013-14	2014-15	2015-16	2016-17	2017-18	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
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						


EXPENDITURE EXPLANATION

The fiscal implications (both expenditure and revenue) of a tax credit registry is discussed in the fiscal note for HB377 of this session, which specifically/singularly addresses such a registry. Standardized rebate payment procedures will add efficiency to these programs, and ultimately hold down administrative costs. The costs (administrative and revenue) of both the Family Assistance Rebate Program and the Assistance for Retirees and Military rebate program, will largely depend on the determinations authorized to DCFS and LDR, who will establish the rebate amounts and administer the programs. In general, converting the various tax credit programs targeted by the bill into rebate programs doesn't necessarily change the state's cost exposure, but may accelerate the timing of realization of that exposure, since rebate payments typically occur throughout the year and are not tied to tax return filings. To the extent the bill modifies certain programs in any ways, the effects of program changes take some time to materialize as new participation occurs under the modified program parameters. Those effects would not be expected to be material for two to three years after they become part of the programs.

REVENUE EXPLANATION

The fiscal implications (both expenditure and revenue) of a tax credit registry is discussed in the fiscal note for HB377 of this session, which specifically/singularly addresses such a registry. Standardized rebate payment procedures will add efficiency to these programs, and ultimately hold down administrative costs. The costs (administrative and revenue) of both the Family Assistance Rebate Program and the Assistance for Retirees and Military rebate program, will largely depend on the determinations authorized to DCFS and LDR, who will establish the rebate amounts and administer the programs. In general, converting the various tax credit programs targeted by the bill into rebate programs doesn't necessarily change the state's cost exposure, but may accelerate the timing of realization of that exposure, since rebate payments typically occur throughout the year and are not tied to tax return filings. To the extent the bill modifies certain programs in any ways, the effects of program changes take some time to materialize as new participation occurs under the modified program parameters. Those effects would not be expected to be material for two to three years after they become part of the programs.

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>
<input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}		<input type="checkbox"/> 6.8(F) >= \$500,000 Annual Fiscal Cost {S}
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}


John D. Carpenter
Legislative Fiscal Officer