HLS 14RS-350 ENGROSSED

Regular Session, 2014

HOUSE BILL NO. 436

1

BY REPRESENTATIVE FANNIN

REVENUE DEPARTMENT: Provides for the payment methods for refunds of overpayments of individual income tax

AN ACT

2	To amend and reenact Act No. 818 of the 2012 Regular Session of the Legislature, relative
3	to the payment of refunds by the Department of Revenue for overpayments of tax;
4	to authorize certain methods of payment; to provide with respect to taxpayer
5	selection of the method of payment for their refund for certain taxes; to provide for
6	applicability; to provide for effectiveness; and to provide for related matters.
7	Be it enacted by the Legislature of Louisiana:
8	Section 1. Act No. 818 of the 2012 Regular Session of the Legislature is hereby
9	amended and reenacted to read as follows:
10	Section 1. R.S. 47:1621(D)(1) is hereby amended and reenacted to read as
11	follows:
12	§1621. Refunds of overpayments authorized
13	* * *
14	D.(1) Such refunds shall be made out of any current collections of the
15	particular tax which was overpaid. The secretary may make payment of refunds by
16	means of a debit card at the option of the taxpayer. However, the paper form for an
17	individual income tax return shall include provisions whereby the taxpayer may
18	choose to receive a refund of an overpayment by check, debit card, or direct deposit,
19	or any other format by which the department may pay a refund. A refund for a
20	taxpayer who filed a paper tax return for individual income tax shall be made in

CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

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1 accordance with the manner method chosen by the taxpayer on the tax return. If the 2 tax return does not reflect the selection of a specific manner method of payment by 3 the taxpayer, any refund due shall be paid in the manner chosen by the secretary by 4 check. 5 6 Section 2. The provisions of this Act shall be effective for taxable years 2013, 7 2014, and 2015. 8 Section 2. The provisions of this Act shall be effective for all taxable years beginning 9 on or after January 1, 2014. 10 Section 3. This Act shall become effective upon signature by the governor or, if not signed by the governor, upon expiration of the time for bills to become law without signature 11 12 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If 13 vetoed by the governor and subsequently approved by the legislature, this Act shall become

DIGEST

effective on the day following such approval.

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The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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Abstract: Makes permanent the authority of the Dept. of Revenue to pay refunds of overpayments of tax by debit card and provisions relating to the methods of payment authorized for refunds of overpayments of individual income tax.

<u>Present law</u> authorizes the secretary of the Dept. of Revenue (department) to pay refunds for overpayments of tax from the current collections of the tax which was overpaid.

<u>Present law</u>, only for tax years 2013, 2014, and 2015, requires the paper form of the individual income tax return to include payment options for refunds by check, debit card, direct deposit, or other format by which the department may pay a refund. If a tax return does not reflect the selection of a specific method of payment, the secretary of the department shall choose the method of payment.

<u>Present law</u>, for tax year 2016 and thereafter, deletes applicability of <u>present law</u> relative to the authority of the department to pay refunds using a debit card, as well as provisions for taxpayer selection of the method of payment of individual income tax refunds by check, debit card, direct deposit, or other format.

<u>Proposed law</u> changes <u>present law</u> by making permanent provisions of <u>present law</u> authorizing the use of debit cards in the payment of tax refunds, and taxpayer selection of the method of payment of their individual income tax refund by either check, direct deposit, or debit card.

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<u>Proposed law</u> changes <u>present law</u> by removing the authority for a taxpayer option to receive a refund payment by any other format by which the department may pay a refund.

<u>Proposed law</u> changes <u>present law</u> regarding the payment of a refund if a taxpayer does not choose a particular method of payment on their individual income tax return <u>from</u> a method determined by the secretary <u>to</u> payment by check.

Applicable for taxable years beginning on and after Jan. 1, 2014.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends Act No. 818 of 2012 R.S.)