

2015 Regular Session

HOUSE BILL NO. 758

BY REPRESENTATIVES JAY MORRIS, STUART BISHOP, GEYMAN, HARRIS,  
HARRISON, HAVARD, HENSGENS, HUVAL, PEARSON, POPE, RICHARD,  
SCHRODER, AND TALBOT

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

TAX EXEMPTIONS: Provides for tax expenditure reporting and for tax expenditures to be appropriated

1 AN ACT

2 To amend and reenact R.S. 39:51(E) and (F) and to enact R.S. 39:24.1, 34(E), and 51(G) and  
3 R.S. 47:1675(K), relative to the appropriation of tax expenditures; to provide for  
4 definitions; to provide for reporting on tax expenditures; to provide for the  
5 appropriation of tax expenditures in the General Appropriation Bill and the executive  
6 budget; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 39:51(E) and (F) are hereby amended and reenacted and R.S.  
9 39:24.1, 34(E) and 51(G) are hereby enacted to read as follows:

10 §24.1. Tax expenditure reporting

11 A. For the purpose of this Section, the following terms shall have the  
12 following meanings:

13 (1) "Tax expenditure program" shall mean each tax credit and each rebate  
14 authorized by law.

15 (2) "Tax expenditure" shall mean the revenue loss to the state caused by  
16 each tax credit and each rebate authorized by law.

17 (3) "Secretary" shall mean the executive head or chief administrative officer  
18 of a department or other authority of the state.

1           B. Beginning in July of each year, and monthly thereafter, each secretary  
2           shall provide a cumulative report of the tax expenditure for each tax expenditure  
3           program granted or administered by their department to the Revenue Estimating  
4           Conference, the Legislative Fiscal Office, and the division of administration. The  
5           report is due no later than the fifteenth of each month and shall contain the following  
6           information:

7                   (a) Amount of tax expenditure from the beginning of the fiscal year to the  
8                   date of the report.

9                   (b) Estimate of total tax expenditure through the end of the fiscal year.

10                   (c) Estimate of outstanding tax expenditures that have not been granted or  
11                   administered.

12                   (3) The format of the reports required in this Subsection shall be developed  
13                   by the conference, the Legislative Fiscal Office, and the division of administration.

14                                   \*       \*       \*

15           §34. Executive budget

16                                   \*       \*       \*

17                   E. The executive budget shall contain an appropriation for each tax  
18                   expenditure program administered by the state. The amount for each tax expenditure  
19                   program shall be listed in the same section of the executive budget as the budget  
20                   recommendation of the agency that grants or administers the tax exemption program.  
21                   As used in this Section, "tax expenditure program" shall mean each tax credit and  
22                   each tax rebate authorized by law.

23                                   \*       \*       \*

24           §51. General Appropriation Bill; other appropriation bills

25                                   \*       \*       \*

26                   E. The General Appropriation Bill shall contain appropriations for each tax  
27                   expenditure program. The appropriated amount for each tax expenditure program  
28                   shall be listed in the same section of the bill as the appropriations for each agency  
29                   and its programs for the ordinary operating expenses of the agency that grants or

1 administers the tax expenditure program. In this Section, "tax expenditure program"  
2 shall mean each tax credit and each rebate authorized by law.

3 F. The Five Year Estimated Revenue Loss Chart from the most recent Tax  
4 Exemption Budget prepared by the Department of Revenue shall be an appendix to  
5 the General Appropriation Bill. The Joint Legislative Committee on the Budget shall  
6 annually review and evaluate the Five Year Estimated Revenue Loss Chart.

7 F. G. Any appropriation bill in which a reduction in an appropriation is  
8 authorized shall designate the reduction by placing parenthesis around the amount.

9 Section 2. R.S. 47:1675(K) is hereby enacted to read as follows:

10 §1675. General administrative provisions for credits against income and corporation  
11 franchise tax; limitations on tax credits and rebates

12 \* \* \*

13 K. Credit and rebate limited to appropriated amount. (1) The total amount  
14 of any tax credit or rebate granted by the Department of Revenue shall not exceed  
15 the amount appropriated for each tax credit or rebate in the General Appropriation  
16 Bill for each fiscal year. Any department administering the provisions of a tax credit  
17 or rebate shall by rule establish the method of allocating available tax credits and  
18 rebates including but not limited to a first-come, first-served system, reservation of  
19 tax credits and tax rebates for a specific time period, or other method which the  
20 department administering the provisions, in its discretion, may find beneficial to the  
21 program.

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DIGEST

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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HB 758 Original

2015 Regular Session

Jay Morris

**Abstract:** Provides for reporting and the appropriation of certain tax expenditures. Limits the amount of each tax credit and rebate to the appropriated amount.

Proposed law requires each department that grants or administers a tax exemption program to report monthly to the Revenue Estimating Conference, the Legislative Fiscal Office, and the division of administration on each tax credit and rebate program. Proposed law defines a tax exemption program as a tax credit or rebate authorized in present law.

Proposed law requires the executive budget and the General Appropriation Bill to have an appropriation for each tax expenditure program in the same section of law as the department that grants or administers the program.

Proposed law limits the amount of each tax credit or rebate to the amount appropriated in the General Appropriation Bill for each fiscal year. Further requires the department administering the provisions of a tax credit or rebate to establish the method of allocating available tax credits or rebates.

(Amends R.S. 39:51(E) and (F); Adds R.S. 39:24.1, 34(E), and 51(G) and R.S. 47:1675(K))