AN ACT

To enact R.S. 47:1602.2, relative to the Department of Revenue; to require the secretary of the Department of Revenue to waive certain penalties and interest; to provide for limitations; to provide for applicability; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:1602.2 is hereby enacted to read as follows:

§1602.2. Waiver of penalties and interest; COVID-19 affected taxpayers; returns for tax years 2019 and 2020

A. Notwithstanding any provision of law to the contrary, the secretary of the Department of Revenue shall waive all penalties and interest imposed pursuant to the provisions of R.S. 47:1601 and 1602 for the late filing of an individual, corporation, fiduciary, or partnership tax return or the late payment of any individual, corporation, fiduciary, or partnership tax due for tax years 2019 and 2020.

B. The provisions of this Section shall apply only to taxpayers whose health was impacted by COVID-19 or taxpayers who relied on a third-party provider for tax filing services whose health was impacted by COVID-19. Any taxpayer claiming the waiver pursuant to the provisions of this Section shall provide documentation to the secretary of the Department of Revenue evidencing the COVID-19 impact on their health or the health of their third-party provider for filing services.
Section 2. This Act shall become effective on July 1, 2020; if vetoed by the governor
and subsequently approved by the legislature, this Act shall become effective on July 1,
2020, or on the day following such approval by the legislature, whichever is later.

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)]

HB 37 Reengrossed 2020 First Extraordinary Session Harris

Abstract: Requires the waiver of all penalties and interest for the late filing of an
individual, corporation, fiduciary, or partnership tax return or the late payment of any
tax for these entities due for tax years 2019 and 2020 if the health of the taxpayer or
the health of the taxpayer's third party provider for tax filing services was impacted
by COVID-19.

Present law requires the assessment of interest to be added to the amount of tax due when
a taxpayer fails to pay a tax on or before the day it is required to be paid. The amount of
interest shall accrue at an annual rate of 3% above the judicial interest rate provided for in
present law.

Present law requires the secretary of the Dept. of Revenue (DOR) to impose a penalty in
addition to any other penalty when a taxpayer fails to make and file any return required to
be made in accordance with present law before the time that the return becomes delinquent
or when a taxpayer fails to timely remit to the secretary of DOR the total amount of tax that
is due on a return which he has filed. The amount of the penalty varies depending on the
length of time the deficiency continues.

Proposed law changes present law by establishing a limited period in which the secretary of
DOR is required to waive all penalties and interest for the late filing of an individual,
corporation, fiduciary, or partnership tax return or the late payment of any individual,
corporation, fiduciary, or partnership tax due for tax years 2019 and 2020. The waiver
provided for in proposed law shall not apply to any individual, corporation, fiduciary or
partnership tax return filed after July 15, 2020, or the late payment of any individual,
corporation, fiduciary or partnership tax payment submitted after July 15, 2020.

Proposed law restricts the provisions of proposed law to taxpayers whose health was
impacted by COVID-19 or taxpayers who relied on a third party provider for tax filing
services whose health was impacted by COVID-19. Further requires taxpayers claiming the
waiver to provide documentation to DOR evidencing the COVID-19 impact on their health
or the health of their third party provider for filing services.

Effective July 1, 2020.

(Adds R.S. 47:1602.2)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the
original bill:

1. Change the tax year in which proposed law applies from tax year 2019 to tax
years 2019 and 2020.

CODING: Words in struck through type are deletions from existing law; words underscored
are additions.
2. Restrict applicability of proposed law to taxpayers whose health was impacted by COVID-19 or third party providers that the taxpayer relied on to prepare the return was impacted by COVID-19.

3. Require taxpayers claiming the waiver to provide documentation to DOR evidencing the COVID-19 impact on their health or the health of their third party provider for filing services.