
DIGEST

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Townsend

HB No. 132

Abstract: Authorizes municipal and parish governing bodies to impose an assessment of 25% of the total taxes due and payable pursuant to the current law, R.S. 22:1076. That provision authorizes the local governments to impose a license tax on any insurer engaged in the business of issuing any form of insurance policy or contract.

Present law, R.S. 22:1076, authorizes the local governments to impose a license tax on any insurer engaged in the business of issuing any form of insurance policy or contract.

Proposed law retains present law and further authorizes local governments to impose an assessment of 25% of total taxes due and payable under present law, solely for the purpose of funding public safety services.

Proposed law defines "public safety services" as fire protection, police protection, emergency medical services, and all recurring costs associated with the provision of such services, including but not limited to employee compensation, benefits, and retirement systems.

Proposed law provides that the assessment may be levied by local or parish ordinance for a term not to exceed two years and further provides that the assessment may exceed certain maximums in present law.

Proposed law provides for the collection of the assessment by the Louisiana Municipal Advisory Technical Services Bureau (LaMATS) through an agreement with the municipality or parish. Further provides LaMATS with all the rights, responsibilities, duties, and privileges of the municipality or parish in regard to the collection of the assessment. Proposed law also authorizes LaMATS to charge a fee for its services, but not to exceed 5% of the total taxes, assessments, and penalties collected.

Proposed law also authorizes LaMATS to collect all of the taxes levied pursuant to the present law, R.S. 22:1076.

Proposed law provides that upon failure to pay the assessment, before June 1 of the year the payment is due, a penalty of 5% per month shall be added to the amount due and payable. Provides that the municipality and parish may waive the payment of the penalty, if it is determined that failure to pay was due to unforeseen or unavoidable reasons. Limits the amount of the penalty to not greater than 25% of the total amount of the assessment due.

Proposed law provides that the assessment authorized by proposed law shall apply to all taxes collected on or after January 1, 2003, and shall expire on January 1, 2005.

Effective July 1, 2002.

(Adds R.S. 22:1076.2)