2016 Regular Session

HOUSE BILL NO. 795

BY REPRESENTATIVE STOKES

TAX EXEMPTIONS:  Provides relative to the organization of the Tax Expenditure Budget

| | |
|---|---|
| 1 | AN ACT |
| 2 | To amend and reenact R.S. 47:1517(B), relative to the tax exemption budget; to require |
| 3 | certain organization of the tax exemptions; to provide for an effectiveness; and to |
| 4 | provide for related matters. |
| 5 | Be it enacted by the Legislature of Louisiana: |
| 6 | Section 1.  R.S. 47:1517(B) is hereby amended and reenacted to read as follows: |
| 7 | §1517.  Tax exemption budget |
| 8 | *       *       * |
| 9 | B.(1)  The annual tax exemption budget shall include the following: |
| 10 | (1) (a) Each tax exemption, its statutory citation, and its purpose. |
| 11 | (2) (b) The revenue loss to the state caused by each tax exemption for the |
| 12 | three preceding years, the estimated revenue loss to the state caused by each tax |
| 13 | exemption for the current fiscal year, and the estimated revenue loss to the state |
| 14 | caused by each tax exemption for the ensuing fiscal year. |
| 15 | (3) (c) The estimated cost of administering and implementing each tax |
| 16 | exemption for the three preceding fiscal years, the current fiscal year, and the |
| 17 | ensuing fiscal year. |
| 18 | (2)  The tax expenditures in the annual tax exemption budget shall be |
| 19 | organized as follows: |
| 20 | (a) Ad Valorem/Inventory Tax |

1          (b) Agriculture/Rural

2          (c) Business Pyramiding

3          (d) Calculational

4          (e) Educational

5          (f) Incentive

6          (g) Intergovernmental

7          (h) Net Operating Loss

8          (i) Normal Tax Structure/Federally Imposed

9          (j) Retirement, Disability, and Military

10         (k) Severance

11         (l) Specialized Industry

12         (m) Specialized Personal

13         (n) Stelly: Constitutional

14         (o) Undisclosed Sales Tax

15         (p) Vendors Compensation

16         (q) Other

17                              *        *        *

18         Section 2. This Act shall become effective on July 1, 2016; if vetoed by the governor

19    and subsequently approved by the legislature, this Act shall become effective on July 1,

20    2016, 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 795 Original                    2016 Regular Session                    Stokes

**Abstract:** Requires certain organization of the tax exemptions in the Tax Exemption
         Budget.

Present law requires the Dept. of Revenue to annually prepare a tax exemption budget
detailing the prior tax years tax exemptions, including whether each exemption is meeting
its purpose, whether the purpose is being achieved in a fiscally effective manner, and
whether there are any inadvertent consequences caused by the tax exemption.

Proposed law retains present law and requires the tax exemptions to be organized as follows:

(1)     Ad Valorem/Inventory Tax

(2)     Agriculture/Rural

(3)     Business Pyramiding

(4)     Calculational

(5)     Educational

(6)     Incentive

(7)      Intergovernmental

(8)     Net Operating Loss

(9)     Normal Tax Structure/Federally Imposed

(10)     Retirement, Disability, and Military

(11)    Severance

(12)    Specialized Industry

(13)    Specialized Personal

(14)    Stelly: Constitutional

(15)    Undisclosed Sales Tax

(16)    Vendors Compensation

(17)    Other

Effective July 1, 2016.

(Amends R.S. 47:1517(B))