

DIGEST

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SB 318 Engrossed

2026 Regular Session

Reese

Present law requires the secretary of the Dept. of Revenue, hereinafter "department", to prepare and submit a tax exemption budget, hereinafter "TEB", to the governor and the legislature by March first of each year.

Proposed law retains present law.

Present law requires publication of the TEB on the LaTrac website or any subsequent database that may replace the LaTrac website.

Proposed law changes the publication location to the department's website.

Present law requires the TEB to include each tax exemption, the statutory citation of the exemption, and the purpose of the exemption.

Proposed law repeals the requirement to include the purpose of the exemption but otherwise retains present law.

Present law requires the TEB to include the estimated cost of administering and implementing each tax exemption for the three preceding fiscal years, the current fiscal year, and the next fiscal year.

Proposed law repeals present law.

Present law requires the TEB to include the number of taxpayers that receive each exemption as well as the parish or location of each business receiving the exemption. Further requires that the information be displayed in a manner that identifies all of the following:

- (1) The industry group by North American Industry Classification System sector.
- (2) The number of taxpayers by industry.
- (3) The total tax burden by industry group by individual tax before the exemption.
- (4) The total value to each industry group for each exemption.
- (5) The total tax value by each industry group by individual tax of the tax collections after the exemption.

Proposed law repeals present law.

Present law requires the information related to the number of taxpayers receiving each exemption, as well as the parish or location of each business receiving the exemption, be published to the extent available to the department on a schedule determined by the secretary. Further requires the secretary to ensure that no confidential information is published.

Proposed law repeals present law.

Present law requires that the exemptions listed in the TEB be presented in a schedule, organized by certain classifications, appearing at the beginning of the document.

Proposed law specifies that each tax exemption must be classified according to certain categories but does not have to appear in a schedule at the beginning of the TEB; otherwise, retains present law.

Present law prohibits listing of any statute, exemption, exclusion, credit, rebate, or deduction in multiple categories without a specific notation.

Proposed law repeals present law.

Present law allows the department to add categories to the opening schedule as necessary.

Proposed law repeals present law.

Present law requires the TEB to include an assessment based on the following criteria:

- (1) Whether or not each tax exemption has been successful in meeting the purpose for which it was enacted; in particular, whether each tax exemption benefits those originally intended to be benefited, and if not, those who do benefit.
- (2) Whether each tax exemption is the most fiscally effective means of achieving its purpose.
- (3) Unintended or inadvertent effects, benefits, or harm caused by each tax exemption, including whether each tax exemption conflicts with other state laws or regulations.
- (4) Whether each tax exemption simplifies or complicates the state tax statutes.

Proposed law repeals present law.

Present law requires each state agency that administers a tax incentive to issue a report no later than April first of each even-numbered year that includes the number of employees hired with a La. driver's license at the time of hire for any tax incentives that include a job-creation component.

Proposed law repeals present law.

Proposed law requires the single sales and use tax collector for each parish to prepare and submit to the La. Uniform Local Sales Tax Board an annual tax exemption budget addressing local sales and use tax exclusions, exemptions, deductions, credits, rebates, and preferential tax treatments. Requires the board to compile, review, and transmit these local tax exemption budgets to the governor and the legislature no later than March 1 annually, in the same manner and form as required for the TEB prepared by the department.

Proposed law requires the department to prepare and submit a business tax benefit report to the legislature and the governor no later than September first each year. Further requires that the business tax benefit report include a listing of each tax exemption that provides a tax savings or financial benefit to businesses with certain exceptions.

Proposed law requires the business tax benefit report to present the information in a manner that identifies the following:

- (1) The industry group by North American Industry Classification System sector.
- (2) The number of taxpayers by industry.
- (3) The total tax burden by industry group by tax type before the exemption.
- (4) The total value to each industry group for each exemption.
- (5) The total tax burden by industry group by tax type after the exemption.

Proposed law prohibits inclusion of any confidential information in the business tax benefit report.

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

(Amends R.S. 47:1517(B)(1) and (2)(intro. para.); Adds R.S. 47:1517(G) and 1517.3; Repeals R.S. 47:1517(B)(3) and (4) and (C) and 1517.1(B)(4))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the original bill

1. Repeals TEB requirement to include certain information and to provide the information in a particular format.
2. Creates requirement for LDR to annually publish a business tax benefit report.
3. Requires certain information to be contained in the business tax benefit report.
4. Makes technical changes.

Summary of Amendments Adopted by House

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

1. Require the single sales and use tax collector for each parish to prepare and submit to the La. Uniform Local Sales Tax Board an annual tax exemption budget addressing local sales and use tax exclusions, exemptions, deductions, credits, rebates, and preferential tax treatments.
2. Require the La. Uniform Local Sales Tax Board to compile, review, and transmit local tax exemption budgets to the governor and the legislature no later than March first annually.
3. Make technical changes.