

Regular Session, 2014

HOUSE BILL NO. 912

BY REPRESENTATIVE BARROW

REVENUE DEPARTMENT: Provides relative to the manner in which the Department of Revenue may issue refunds for overpayments and requires a certain period for the activation of debit cards

1 AN ACT

2 To amend and reenact Act No. 818 of the 2012 Regular Session of the Legislature, relative
3 to the payment of refunds by the Department of Revenue for overpayments of tax;
4 to authorize certain methods of payment; to provide with respect to taxpayer
5 selection of the method of payment for their refund for certain taxes; to provide for
6 applicability; to provide with respect to the activation of debit cards; to provide for
7 effectiveness; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. Act No. 818 of the 2012 Regular Session of the Legislature is hereby
10 amended and reenacted to read as follows:

11 Section 1. R.S. 47:1621(D)(1) is hereby amended and reenacted to read as
12 follows:

13 §1621. Refunds of overpayments authorized

14 * * *

15 D.(1) Such refunds shall be made out of any current collections of the
16 particular tax which was overpaid. The secretary may make payment of refunds by
17 means of a debit card at the option of the taxpayer. However, the paper form for an
18 individual income tax return shall include provisions whereby the taxpayer may
19 choose to receive a refund of an overpayment by check, debit card, or direct deposit;

1 or any other format by which the department may pay a refund. A refund for a
2 taxpayer who filed a paper tax return for individual income tax shall be made in
3 accordance with the ~~manner~~ method chosen by the taxpayer on the tax return. If the
4 tax return does not reflect the selection of a specific ~~manner~~ method of payment by
5 the taxpayer, any refund due shall be paid ~~in the manner chosen by the secretary by~~
6 check. If a taxpayer chooses to receive a refund of an overpayment by debit card,
7 the Department of Revenue shall allow the taxpayer no less than twelve months to
8 activate the debit card.

9 * * *

~~Section 2. The provisions of this Act shall be effective for taxable years 2013,~~
~~2014, and 2015.~~

12 Section 2. The provisions of this Act shall be effective for all taxable years beginning
13 on or after January 1, 2014.

Section 3. This Act shall become effective upon signature by the governor or, if not signed by the governor, upon expiration of the time for bills to become law without signature by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on the day following such approval.

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)]

Barrow

HB No. 912

Abstract: Makes permanent the authority of the Dept. of Revenue (DOR) to pay refunds of overpayments of tax by debit card and provisions relating to the methods of payment authorized for refunds of overpayments of individual income tax. Requires DOR to allow no less than 12 months to activate debit cards.

Present law authorizes the secretary of the Dept. of Revenue (department) to pay refunds for overpayments of tax from the current collections of the tax which was overpaid.

Present law, only for tax years 2013, 2014, and 2015, requires the paper form of the individual income tax return to include payment options for refunds by check, debit card, direct deposit, or other format by which the department may pay a refund. If a tax return does not reflect the selection of a specific method of payment, the secretary of the department shall choose the method of payment.

Present law, for tax year 2016 and thereafter, deletes applicability of present law relative to the authority of the department to pay refunds using a debit card, as well as provisions for

taxpayer selection of the method of payment of individual income tax refunds by check, debit card, direct deposit, or other format.

Proposed law changes present law by making permanent, provisions of present law authorizing the use of debit cards in the payment of tax refunds, and taxpayer selection of the method of payment of their individual income tax refund by either check, direct deposit, or debit card.

Proposed law changes present law by removing the authority for a taxpayer option to receive a refund payment by any other format by which the department may pay a refund.

Proposed law changes present law regarding the payment of a refund if a taxpayer does not choose a particular method of payment on their individual income tax return from a method determined by the secretary to payment by check.

Proposed law further provides that if a taxpayer chooses to receive a refund by debit card, the department shall allow the taxpayer no less than twelve months to activate the debit card.

Applicable for taxable years beginning on and after Jan. 1, 2014.

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

(Amends Act No. 818 of 2012 R.S.)