

Regular Session, 2014

HOUSE BILL NO. 912

BY REPRESENTATIVE BARROW

REVENUE DEPARTMENT: Requires the Department of Revenue to allow no less than twelve months to activate debit cards for the payment of tax refunds

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 provide with respect to the activation of debit cards; to provide for effectiveness;  
5 and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

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

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

11 §1621. Refunds of overpayments authorized

12 \* \* \*

13 D.(1) Such refunds shall be made out of any current collections of the  
14 particular tax which was overpaid. The secretary may make payment of refunds by  
15 means of a debit card at the option of the taxpayer. However, the paper form for an  
16 individual income tax return shall include provisions whereby the taxpayer may  
17 choose to receive a refund of an overpayment by check, debit card, direct deposit,  
18 or any other format by which the department may pay a refund. A refund for a  
19 taxpayer who filed a paper tax return shall be made in accordance with the manner  
20 chosen by the taxpayer on the tax return. If the tax return does not reflect the

1 selection of a specific manner of payment by the taxpayer, any refund due shall be  
2 paid in the manner chosen by the secretary. If a taxpayer chooses to receive a refund  
3 of an overpayment by debit card, the Department of Revenue shall allow the  
4 taxpayer no less than twelve months to activate the debit card.

5 \* \* \*

6 ~~Section 2. The provisions of this Act shall be effective for taxable years~~  
7 ~~2013, 2014, and 2015.~~

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

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

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#### 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)]

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Barrow

HB No. 912

**Abstract:** Requires the Dept. of Revenue 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.

Proposed law retains present law but provides that if a taxpayer chooses to receive a refund by debit card, the department shall allow the taxpayer no less than 12 months to activate the debit card.

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.

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.)

Summary of Amendments Adopted by House

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

1. Deleted proposed law changes that made permanent, the 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.
2. Deleted the proposed law provision that made permanent the authority of a taxpayer to select the option to receive a refund payment by any other format by which the department may pay a refund.
3. Deleted the proposed law provision 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.

House Floor Amendments to the engrossed bill.

1. Added provision that makes permanent, the 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.