



**OFFICE OF LEGISLATIVE AUDITOR  
Fiscal Note**

Fiscal Note On: **HB 95** HLS 18RS 385  
 Bill Text Version: **ORIGINAL**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> March 20, 2018 4:43 PM	<b>Author:</b> RICHARD
<b>Dept./Agy.:</b> Lafourche Parish Sales Tax District No. 4	<b>Analyst:</b> Elizabeth Caillier
<b>Subject:</b> Local Sales Tax	

TAX/SALES-USE, LOCAL OR +\$2,800,000 LF RV See Note Page 1 of 1  
 Authorizes Sales Tax District No. 4 of Lafourche Parish to levy an additional sales tax

**Purpose of Bill:** This bill authorizes the governing authority of Lafourche Parish Sales Tax District No. 4 to levy and collect an additional sales and use tax not to exceed 0.3%, subject to approval by a majority of voters in the district. In addition, this bill provides that proceeds shall be used for any lawful purpose of the district.

<b>EXPENDITURES</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
<b>Annual Total</b>						
<b>REVENUES</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	\$0	\$2,723,856	\$2,778,333	\$2,833,890	\$2,890,578	<b>\$11,226,657</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$2,723,856</b>	<b>\$2,778,333</b>	<b>\$2,833,890</b>	<b>\$2,890,578</b>	<b>\$11,226,657</b>

**EXPENDITURE EXPLANATION**

**This measure may increase local governmental expenditures.**

**No Impact:** According to a representative from the parish, the solid waste programs and facilities operated at a deficit of \$2.4 million for 2017. The expected shortfall for fiscal year 2018 and beyond is estimated at \$2.6 million. The revenue generated from this measure will be used to continue operations of the solid waste management programs and facilities. Any excess in the fund will be used to cover future expenses.

**Potential Impact:** This bill provides for the use of the sales tax proceeds for any lawful purpose of the district, including the funding of a portion of the proceeds into bonds as provided by law.

There may also be some local costs associated with voter approval of the additional sales tax, depending upon when the election is held. If held at a statewide election, costs could be \$26,500; if held at a municipal election, costs could be \$106,000.

**REVENUE EXPLANATION**

**This measure may increase local governmental revenues by approximately \$2,800,000 annually, pending voter approval.**

A representative of the Lafourche Parish Government provided that a sales and use tax increase of up to 0.3% would create an estimated increase of \$2,800,000 per year in sales tax revenue. Since voter approval is required, the representative anticipated that the earliest effective date would be January 1, 2019 if the voters approve the measure during the November 6, 2018 election.

This bill may also increase revenues to the Lafourche Parish School Board's Sales Tax Department as the department receives 0.9% of the collections as a collection cost, which is used to operate the Sales Tax Department.

Note: The estimates in the revenue table include a 2% growth factor and are based on a January to December Fiscal Year.

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| <u>Senate</u><br><input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}<br><input checked="" type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} | <u>House</u><br><input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}<br><input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} |
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**Michael G. Battle**  
 Manager, Advisory Services