

and interest collected by or on behalf of the Dept. of Revenue (DOR) shall be designated as self-generated revenue of the department. With respect to penalties collected by DOR, from July 1, 2022, and thereafter, 100% of penalties are to be deposited into the state general fund. DOR will retain any compensatory fees and expenses they collect. Self-generated revenues are to be used by DOR for the administration and collection of taxes and for operation of the department, subject to appropriation by the legislature.

Proposed law suspends the accrual of interest during any period of time that a delay in the issuance of a refund is attributable to the taxpayer's failure to provide information or documentation required by statute or regulation.

Present law provides for interest on unpaid taxes at three percentage points above the judicial interest rate and interest on refunds of overpaid taxes at the judicial interest rate.

Proposed law equalizes the interest rates on refunds and unpaid taxes by increasing the interest rate on refunds to three points above the judicial interest rate beginning Jan. 1, 2022.

Proposed law (Section 2 of Act) requires that beginning July 1, 2020, any collection action taken by the secretary shall apply the penalties provided for in this Act for all tax periods.

Proposed law (Section 3 of Act) prohibits refunds of penalties paid before the effective date of this Act if the claim for refund is that no penalties would be due under the provisions of this Act.

Proposed law provides that Section 1 of this Act shall become effective on Jan. 1, 2021. Sections 2 and 3 shall become effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 47:1602(A)(4), 1603(A)(1), 1604, 1604.1, and 1624(A)(1) and (2)(b); adds R.S. 47:1602(A)(5), 1608, and 1624(F))

Summary of Amendments Adopted by Senate

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

1. Adds presumption of willful intent to disregard in any instance where a taxpayer fails to timely remit tax withheld or collected.
2. Suspends the accrual of interest during any period of time that a delay in the issuance of a refund is attributable to the taxpayer's failure to provide information or documentation required by statute or regulation.
3. Makes technical corrections to the interest rate of certain severance taxes.

Senate Floor Amendments to reengrossed bill

1. Technical.
2. Revised applicable dates and effective dates.
3. Provided relative to penalties and definitions.