

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 614** HLS 26RS 1105

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 8, 2026	8:43 AM	Author: JACKSON
Dept./Agy.: Revenue		Analyst: Mimi Blanchard
Subject: No Tax on Recovery Act		

TAX/TAX REBATES EG -\$55,000 GF RV See Note Page 1 of 1

Authorizes a rebate of state sales taxes paid by businesses on lodging and meals for persons performing disaster or emergency-related work

Proposed law establishes the "No Tax on Recovery Act", which authorizes a state sales tax rebate equal to the actual amount of sales tax paid on lodging services and prepared meals for utility businesses that deploy personnel to perform disaster or emergency-related work in Louisiana during a disaster period, capped at \$55,000 per calendar year. Proposed law provides that rebates are granted on a first-come, first-served basis, with rebate claims in excess of the annual cap being treated as having been applied for on the first day of the following calendar year. Eligible purchases must be made during the first ten days of a declared state disaster or emergency by a person performing such work in connection with the declared state disaster or emergency. Proposed law requires eligible purchases to fall within the amount of the applicable per diem rate for federal employee travel expenses established and promulgated by the General Services Administration. No rebates shall be paid on or after January 1, 2032.

Effective August 1, 2026.

EXPENDITURES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$95,463	\$98,327	\$101,277	\$104,315	\$107,444	\$506,826
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$95,463	\$98,327	\$101,277	\$104,315	\$107,444	\$506,826

REVENUES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	(\$55,000)	(\$55,000)	(\$55,000)	(\$55,000)	(\$55,000)	(\$275,000)
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	(\$55,000)	(\$55,000)	(\$55,000)	(\$55,000)	(\$55,000)	(\$275,000)

EXPENDITURE EXPLANATION

Per testimony given by LDR on 4/7/25, proposed law is anticipated to increase SGR expenditures within the Department of Revenue (LDR) beginning in FY 27. LDR anticipates one additional Revenue Tax Specialist (salary and related benefits of \$95,463) will be needed to administer the new sales tax rebate, with annual market rate adjustments made each year in FY 28 and beyond.

The LFO believes that LDR may require additional resources to address workload demands, possibly short to mid-term, in the event a significant natural disaster may occur (e.g. Hurricane Katrina). Any such increased expenditures are likewise speculative and not reflected in the expenditure block of this fiscal note.

Note: Increases in SGR within LDR result in less monies reverted to SGF at the end of the fiscal year.

REVENUE EXPLANATION

Proposed law will result in an \$55,000 decrease in SGF revenues, dependent on the number of declared state disasters or emergencies that occur between August 1, 2026 and January 1, 2032. The magnitude of the revenue loss will also depend on the number of utility businesses deploying personnel to perform disaster or emergency-related work in Louisiana and the amount of qualifying lodging and prepared food purchases for which rebates are claimed. Because the number and severity of disaster or emergency declarations cannot be predicted, the fiscal impact cannot be directly quantified; however, given the historical frequency of such declarations in Louisiana, revenue loss is anticipated to reach the annual cap. For illustrative purposes, there were 15 new state of emergency declarations in 2024 and 4 disaster declarations. In 2025 there were 20 new state of emergencies declared. 1 state of emergency has been declared in 2026 to date.

***Note: Proposed law may result in a deferral of rebate payments across fiscal years to the extent that rebate requests in a given calendar year exceed the \$55,000 annual cap, as excess claims are treated as submitted on the first day of the subsequent year and may fully exhaust that year's available rebate authority before new applications are considered. To the extent that excess claims continue to carry forward annually, new applicants may be unable to receive rebates in future years. It is unclear how LDR will treat any remaining undistributed claims at the termination of the program on January 1, 2032.**

Senate
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Alan M. Boxberger
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Legislative Fiscal Officer