



OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note

Fiscal Note On: **SB 41** SLS 11RS 237
Bill Text Version: **ORIGINAL**
Opp. Chamb. Action:

Proposed Amd.:
Sub. Bill For.:

Date: May 5, 2011 5:48 PM	Author: ALARIO
Dept./Agy.: Jefferson Parish Tax Collector	
Subject: Occupational license tax in Jefferson Parish	Analyst: Lisa Newton

TAX/LOCAL OR SEE FISC NOTE LF RV Page 1 of 1
Provides for the definition of contractor for the purposes of the occupational license tax in certain parishes. (7/1/11)

Purpose of the Bill: The definition of a contractor will continue to include oil field-related fabrication and oil field service contractors for the purposes of occupational license taxes in parishes with a population greater than 380,000 and less than 435,000 (Jefferson Parish only).

EXPENDITURES	2011-12	2012-13	2013-14	2014-15	2015-16	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
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	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2011-12	2012-13	2013-14	2014-15	2015-16	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
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	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

REVENUE EXPLANATION

This bill will continue the current fee structure as provided for in current law. Therefore, there will be no fiscal impact on the revenues of Jefferson Parish.

Current Law: SB 707/Act 667 of the 2010 regular session changed the definition of “contractor” to include oil field-related fabrication and oil field service contractors as it relates to occupational license tax in Jefferson Parish. Occupational license taxes are charged based upon business classification and gross receipts or commissions; however, those meeting the definition of “contractor” will have a maximum occupational license tax of \$750. This Act will expire on July 1, 2011.

Proposed Law: This bill allows Jefferson Parish to continue to include oil field-related fabrication and oil field service contractors within the definition of a “contractor”. Based on the 2010 Census, this bill revises the population range to apply only to Jefferson Parish. These changes are set to become active July 1, 2011.

It should be noted that an official with the Tax Collection Department of the Jefferson Parish Sheriff’s Office concludes that the proposed law would limit the collection of occupational license tax revenues in Jefferson Parish. He stated that specific dollar estimates are indeterminable because the number of businesses that would use this definition of “contractors” is unknown.

Senate	Dual Referral Rules	House	 Tom Cole Director of Financial Audit Services
☐ 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}		☐ 6.8(F)1 >= \$500,000 Annual Fiscal Cost {S}	
		☐ 6.8(F)2 >= \$100,000 Annual SGF Cost {H&S}	
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}		☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}	