

Regular Session, 2014

HOUSE BILL NO. 309

BY REPRESENTATIVE SMITH

REVENUE DEPARTMENT: Requires the issuance of an economic hardship license under certain circumstances if a driver's license has been suspended or denied renewal for failure to pay individual income taxes

1 AN ACT

2 To amend and reenact R.S. 32:414(R) and R.S. 47:296.2(A), relative to individual income
3 tax; to provide relative to the authority of the Department of Revenue to collect
4 unpaid individual income tax; to require an investigation and issuance of an
5 economic hardship license under certain circumstances if a driver's license has been
6 suspended or renewal denied for unpaid individual income tax; to provide for certain
7 limitations; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 32:414(R) is hereby amended and reenacted to read as follows:

10 §414. Suspension, revocation, renewal, and cancellation of licenses; judicial review

11 * * *

12 R.(1) The secretary of the Department of Public Safety and Corrections shall
13 suspend and deny the renewal of a taxpayer's driver's license when notified by the
14 Department of Revenue that the department has an assessment or judgment against
15 the individual that has become final and nonappealable.

16 ~~(2)~~ The reinstatement and renewal of a taxpayer's driver's license shall be
17 denied until such time as the individual has paid or made arrangements to pay the
18 delinquent tax, interest, penalty, and all costs and the Department of Revenue

1 notifies the Department of Public Safety and Corrections, office of motor vehicles,
2 of the payment or arrangement to pay.

3 ~~(3)~~ (2) The Department of Public Safety and Corrections, office of motor
4 vehicles, shall ~~not~~ issue an economic hardship license when an individual's driver's
5 license is suspended and has not been renewed under the provisions of this Section,
6 if the licensee alleges that suspension of his driving privileges will deprive him or
7 his family from earning a livelihood. The Department of Public Safety and
8 Corrections, office of motor vehicles, in conjunction with the Department of
9 Revenue, shall promptly investigate the allegation made by the licensee. If the office
10 of motor vehicles finds the allegation to be true, the office of motor vehicles shall
11 issue an economic hardship license for the period of the suspension provided for in
12 R.S. 47:296.2. The economic hardship license shall authorize the licensee to operate
13 a motor vehicle on streets or watercraft or waterways of the state which enable the
14 licensee to earn his livelihood and such operation shall be restricted to times during
15 which he is involved in earning a livelihood. The licensee shall be responsible for
16 promptly notifying the office of motor vehicles and the Department of Revenue if,
17 during the period of suspension, any circumstance changes which necessitates a
18 change in the original restrictions imposed by the office of motor vehicles. Notice
19 of the restriction shall be attached to the license.

20 * * *

21 Section 2. R.S. 47:296.2(A) is hereby amended and reenacted to read as follows:

22 §296.2. Suspension and denial of renewal of drivers' licenses; economic hardship
23 license; restrictions

24 A.(1) A ~~suspension and~~ driver's license shall be suspended or renewal of a
25 driver's license shall be denied if the Department of Revenue has an assessment or
26 judgment against an individual that has become final and nonappealable if the
27 amount of the final assessment or final judgment is in excess of one thousand dollars
28 of individual income tax, exclusive of penalty, interest, costs, and other charges.

1 (2) However, if the licensee alleges that suspension of his driving privileges
2 will deprive him or his family from earning a livelihood, the Department of Revenue,
3 in conjunction with the Department of Public Safety and Corrections, office of motor
4 vehicles, shall promptly investigate the allegation made by the licensee. If the
5 allegation is found to be true, the licensee shall be issued an economic hardship
6 license for the period of the suspension provided for in Subsection B of this Section.
7 The economic hardship license shall authorize the licensee to operate a motor vehicle
8 on streets or watercraft or waterways of the state which enable the licensee to earn
9 his livelihood and such operation shall be restricted to times during which he is
10 involved in earning a livelihood. The licensee shall be responsible for promptly
11 notifying the office of motor vehicles and the Department of Revenue if, during the
12 period of suspension, any circumstance changes which necessitates a change in the
13 original restrictions imposed by the office of motor vehicles.

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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)]

Smith

HB No. 309

Abstract: Requires the issuance of an economic hardship license if the suspension of, or denial of renewal of a driver's license for failure to pay individual income taxes will deprive the licensee of earning a livelihood.

Present law requires the suspension of or denial of renewal of a driver's license if the Dept. of Revenue (DOR) has a final, nonappealable assessment or judgment against an individual in excess of \$1,000 of individual income tax, exclusive of penalty, interest, and other charges. The suspension shall be effective until the taxpayer pays or makes arrangements to pay the delinquent tax, interest, penalty, and all costs and DOR notifies the office of motor vehicles (OMV) of the payment or arrangement to pay.

Present law prohibits OMV from issuing an economic hardship license when an individual's driver's license has been suspended or renewal denied for failure to pay individual income taxes.

Proposed law changes present law to delete the prohibition of issuance of an economic hardship license in cases where a driver's license is suspended or renewal denied for failure to pay individual income taxes.

Proposed law authorizes the issuance of an economic hardship license if a licensee alleges that suspension of his driving privileges will deprive him or his family from earning a

livelihood. Proposed law requires DOR and OMV to investigate the allegation made by the licensee and, if found to be true, the licensee shall be issued an economic hardship license for the period of the suspension provided for in present law. The economic hardship license authorizes the licensee to operate a motor vehicle or watercraft which enable the licensee to earn his livelihood and such operation is restricted to times during which he is involved in earning a livelihood. Further requires the licensee to notify OMV and DOR if, during the period of suspension, any circumstance changes which necessitates a change in the original restrictions imposed by OMV.

(Amends R.S. 32:414(R) and R.S. 47:296.2(A))