



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 912** HLS 14RS 1428

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 1, 2014	12:36 PM	Author: BARROW
Dept./Agy.: Revenue		
Subject: Makes the default PIT refund a check		Analyst: Deborah Vivien

REVENUE DEPARTMENT

EG NO IMPACT SG EX See Note

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Provides relative to the manner in which the Department of Revenue may issue refunds for overpayments and requires a certain period for the activation of debit cards

Current law provides that the Department of Revenue must provide a choice of the method of payment of income tax refunds, including check, debit card, direct deposit or other means, as selected by the taxpayer. Paper filers who do not choose a method of payment will be paid in a manner chosen by the secretary (currently a debit card). If the refund is not activated within 12 months of issuance, the refund reverts to the Unclaimed Property Fund.

Proposed law retains current law but specifies that an overpayment refund issued by debit card, as chosen by the taxpayer, will be available for activation for at least 12 months after issuance.

Effective with Tax Year 2014.

EXPENDITURES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$105,000
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	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$105,000

REVENUES	2014-15	2015-16	2016-17	2017-18	2018-19	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

EXPENDITURE EXPLANATION

There is no fiscal impact from making the debit card available for activation for at least 12 months after issuance since that is already current practice. According to LDR testimony, the JPMorgan Chase contract for debit cards includes this provision (and is expected to be included in future contracts). Further, the refunds may not be transferred as unclaimed property before 12 months.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure. The calculation of the refunds will not change as a result of this bill.