

2016 Regular Session

HOUSE BILL NO. 666

BY REPRESENTATIVE SCHRODER

TAX EXEMPTIONS: Requires the appropriation of certain tax expenditures

1 AN ACT

2 To amend and reenact R.S. 39:51(E) and (F) and to enact R.S. 39:34(F) and 51(G) and R.S.  
3 47:1675(K), relative to the appropriation of tax expenditures; to provide for  
4 definitions; to provide for the appropriation of tax expenditures in the General  
5 Appropriation Bill and the executive budget; to provide for certain limitations; and  
6 to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 39:51(E) and (F) are hereby amended and reenacted and R.S.  
9 39:34(F) and 51(G) are hereby enacted to read as follows:

10 §34. Executive budget

11 \* \* \*

12 F. The executive budget shall contain an appropriation for each tax  
13 expenditure program administered by the state. The amount for each tax expenditure  
14 program shall be listed in the same section of the executive budget as the budget  
15 recommendation of the agency that grants or administers the tax exemption program.  
16 As used in this Section, "tax expenditure program" shall mean each tax credit and  
17 each tax rebate authorized by law.

18 \* \* \*

19 §51. General Appropriation Bill; other appropriation bills

20 \* \* \*

1           E. The General Appropriation Bill shall contain appropriations for each tax  
2           expenditure program. The appropriated amount for each tax expenditure program  
3           shall be listed in the same section of the bill as the appropriations for each agency  
4           and its programs for the ordinary operating expenses of the agency that grants or  
5           administers the tax expenditure program. In this Section, "tax expenditure program"  
6           shall mean each tax credit and each rebate authorized by law.

7           F. The Five Year Estimated Revenue Loss Chart from the most recent Tax  
8           Exemption Budget prepared by the Department of Revenue shall be an appendix to  
9           the General Appropriation Bill. The Joint Legislative Committee on the Budget shall  
10          annually review and evaluate the Five Year Estimated Revenue Loss Chart.

11          F. G. Any appropriation bill in which a reduction in an appropriation is  
12          authorized shall designate the reduction by placing parenthesis around the amount.

13          Section 2. R.S. 47:1675(K) is hereby enacted to read as follows:

14          §1675. General administrative provisions for credits against income and corporation

15                   franchise tax; limitations on tax credits and rebates

16                                   \*           \*           \*

17          K. Credit and rebate limited to appropriated amount. The total amount of  
18          any tax credit or rebate granted by the Department of Revenue shall not exceed the  
19          amount appropriated for each tax credit or rebate in the General Appropriation Bill  
20          for each fiscal year. Any department administering the provisions of a tax credit or  
21          rebate shall by rule establish the method of allocating available tax credits and  
22          rebates including but not limited to a first-come, first-served system, reservation of  
23          tax credits and tax rebates for a specific time period, or other method which the  
24          department administering the provisions, in its discretion, may find beneficial to the  
25          program.

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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)]

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HB 666 Original

2016 Regular Session

Schroder

**Abstract:** Requires certain tax expenditures to be appropriated and limits the amount of each tax credit and rebate to the appropriated amount.

Proposed law requires the executive budget and the General Appropriation Bill to have an appropriation for each tax expenditure program in the same section of law as the department that grants or administers the program.

Proposed law defines "tax expenditure program" as each tax credit and each tax rebate authorized by law.

Proposed law limits the amount of each tax credit or rebate to the amount appropriated in the General Appropriation Bill for each fiscal year. Further requires the department administering the provisions of a tax credit or rebate to establish the method of allocating available tax credits or rebates.

(Amends R.S. 39:51(E) and (F); Adds R.S. 39:34(F) and 51(G) and R.S. 47:1675(K))