

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 256** HLS 23RS 520

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 25, 2023	10:46 AM	Author: MILLER, G.
Dept./Agy.: Local Government		Analyst: Deborah Vivien
Subject: Local sales tax filing extensions		

TAX/SALES & USE

EG SEE FISC NOTE LF RV See Note

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Requires extension of the deadline to pay local sales taxes when the deadline for payment of the tax falls on certain holidays

Current law authorizes local sales tax collectors to extend filing and remittance deadlines by 30 days for good cause such as a state or federally declared disaster. During the extension, no interest or penalties accrue provided that returns and payments are received by the extended deadline.

Proposed law clarifies that both the 30 day local sales tax deadline extension and the local sales tax disaster declaration deadline extension are not exclusive. Proposed law mandates the extension of the local sales tax filing and remittance deadline to the next business day after a state or federal holiday on which banks are closed. Interest and penalties will not accrue during the extension provided that returns and payments are received by the extended deadline.

Effective upon signature

EXPENDITURES	2023-24	2024-25	2025-26	2026-27	2027-28	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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2023-24	2024-25	2025-26	2026-27	2027-28	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						

EXPENDITURE EXPLANATION

Local sales tax collectors already have the authority to extend deadlines. This bill will mandate that authority be used if a state or federal bank holiday fall on the original filing and remittance deadline by pushing the deadline to the next business day. The administrative burden is not expected to be material.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure. The bill does not change local sales tax liabilities, only the potential due date of those liabilities, and not to the extent of moving remittances to a different fiscal year. If the bill is enacted, any interest and penalties that may have been collected because local sales tax was not remitted on a bank holiday that was also the due date will be foregone in the future.

Senate

Dual Referral Rules

House

13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}

6.8(F)(1) >= \$100,000 SGF Fiscal 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}

Alan M. Boxberger

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Interim Legislative Fiscal Officer