

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 342** HLS 18RS 879

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action: **w/ SEN COMM AMD**

Proposed Amd.:

Sub. Bill For.:

Date: April 11, 2018	1:17 PM	Author: ABRAMSON
Dept./Agy.: Revenue/Economic Development/CRT		Analyst: Greg Albrecht
Subject: Report on tax incentives		

REVENUE DEPARTMENT EG1 NO IMPACT GF EX See Note Page 1 of 1
Changes the deadline for agencies which administer tax incentives to submit reports to the legislature

Present law (RS 47:1571.1, Act 191 of 2013) requires an annual report to be submitted to the legislature by March 1 by each agency administering a tax incentive outlining the purpose and success of each incentive as well as the return on investment, other economic benefits, and any unintended consequences.

Proposed law pushes back the due date of the reports by one month, to April 1 of each even-numbered year, providing reports every two years rather than every year. In addition, each incentive that includes a job creation component shall include the number of employees hired who had Louisiana drivers licenses when hired. Effective upon governor's signature.

EXPENDITURES	2018-19	2019-20	2020-21	2021-22	2022-23	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	2018-19	2019-20	2020-21	2021-22	2022-23	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 anticipated direct material effect on governmental expenditures as a result of this measure. The Dept. of Revenue indicates that it has provided a reporting format for the Depts. of Revenue, Economic Development, Culture Recreation and Tourism, Environmental Quality, and Education. The bill reduces the frequency of reporting to every two years rather than every year, and provides an additional month for completion/submittal of the reports, allowing agencies more time to compile and complete the reports in those alternating years requiring reports. Reducing the frequency of reporting is effectively an opportunity cost reduction for affected agencies, allowing resources to be allocated to other duties in alternating years.

REVENUE EXPLANATION

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

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

John D. Carpenter
Legislative Fiscal Officer