



**OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note**

Fiscal Note On: **SB 95** SLS 22RS 294
 Bill Text Version: **ENROLLED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

| | | |
|--|----------|-----------------------------|
| Date: June 1, 2022 | 11:48 AM | Author: ALLAIN |
| Dept./Agy.: Louisiana Uniform Local Sales Tax Board | | Analyst: Gary Devall |
| Subject: Sales Tax Audits, Collections, and Board Funding | | |

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 Creates the multi-parish audit program for local sales tax. (7/1/22)

Purpose of Bill: This bill requires the Louisiana Uniform Local Sales Tax Board (Board) to implement and coordinate a multi-parish audit program for local sales and use taxes that is provided for in current law. This bill provides provisions for the operation of the program, including requiring the Board to hire and compensate tax auditors and limiting local government's authority to audit taxpayers when opting out of a multi-parish audit.

| EXPENDITURES | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 5 -YEAR TOTAL |
|---------------------|----------------|----------------|----------------|----------------|----------------|----------------------|
| State Gen. Fd. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Agy. Self-Gen. | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | |
| 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 | | | | | | |

| REVENUES | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 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> | <u>\$0</u> |
| Annual Total | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

EXPENDITURE EXPLANATION

This bill may increase expenditures for the Louisiana Uniform Local Sales Tax Board (Board) by an indeterminable amount. In addition, this bill may impact local government expenditures by an indeterminable amount.

Board - Expenditures may increase as the Board implements and operates the multi-parish sales tax audit program in accordance with the bill. Information from the Board indicates that the cost of the multi-parish audit program is indeterminable. However, they are planning to conduct a pilot program in FY 2023 to determine costs of the program going forward. It should be noted that the bill authorizes a local collector to furnish auditors at its own expense to assist the board's auditors in conducting the multi-parish audit.

Local government entities - Overall local government expenditures may decrease as fewer sales tax audits are conducted by local government and the Board starts paying for audits. However, the exact timing and amount of this decrease is currently indeterminable.

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}

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