

Regular Session, 2012

HOUSE BILL NO. 1104

BY REPRESENTATIVE KATRINA JACKSON

TAX CREDITS: Requires state agencies which administer tax credits to report certain information

1 AN ACT

2 To enact R.S. 47:1517.1, relative to tax credits; to require state agencies which administer
3 tax credits to make certain reports; to provide relative to the contents of such reports;
4 to provide for certain requirements and limitations; and to provide for related
5 matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:1517.1 is hereby enacted to read as follows:

8 §1517.1. Tax credits; state agencies and state offices which administer tax credits;
9 reporting requirements

10 A. No later than the first day of March each year, the secretary of each state
11 agency or head of each state office within a state department which administers a tax
12 credit shall prepare and submit to the legislature a report regarding the tax credit
13 which the department or office administers. The report shall include an assessment
14 of each tax credit based on the following criteria:

15 (1) Whether or not each tax credit has been successful in meeting the
16 purpose for which it was enacted, in particular, whether each tax credit benefits those
17 originally intended to be benefitted, and if not, those who do benefit.

18 (2) Whether or not the state receives a positive return on investment from the
19 business or industry for which the tax credit is intended to benefit.

1 (3) Unintended or inadvertent effects, benefits, or harm caused by each tax
2 credit, including whether each tax credit conflicts with other state laws or
3 regulations.

4 B. Each state department or state office required to submit a report pursuant
5 to the provisions of this Section is authorized to request from any other state or local
6 agency or official any information necessary to complete the report required by this
7 Section. Any such official shall comply with this request.

8 C. The Department of Revenue shall develop a format similar to the format
9 used for reporting information contained in the annual tax exemption budget
10 provided for in R.S. 47:1517. The format shall be made available to all state
11 agencies and state offices for use in preparation of their report pursuant to the
12 provisions of this Section.

13 D. The House Committee on Ways and Means and the Senate Committee on
14 Revenue and Fiscal Affairs, hereinafter referred to as "committees", shall conduct
15 hearings on the reports every odd-numbered year, to be concluded thirty days before
16 the beginning of the regular session of the Louisiana Legislature. The committees
17 shall analyze and consider tax credits which have caused revenue loss to the state
18 in any one of the last three fiscal years. From time to time, the committees may
19 report to the legislature findings or recommendations developed as a result of the
20 hearings.

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)]

Katrina Jackson

HB No. 1104

Abstract: Requires state agencies and state offices which administer tax credits to report annually, no later than March 1, to the legislature, information regarding the tax credits.

Proposed law requires, no later than March 1 of each year, the secretary of each state agency or head of each state office which administers a tax credit to prepare and submit a report to the legislature regarding tax credits the department or office administers. The report shall include an assessment of each tax credit based on the following criteria:

- (1) Whether or not each tax credit has been successful in meeting the purpose for which it was enacted.
- (2) Whether or not the state receives a positive return on investment from the business or industry for which the tax credit is intended to benefit.
- (3) Unintended or inadvertent effects, benefits, or harm caused by each tax credit.

Proposed law requires the Dept. of Revenue to develop a format similar to the format used in reporting the annual tax exemption budget required by present law to be made available to and used by all state agencies and offices in preparation of the report required by proposed law.

Proposed law requires the House Committee on Ways and Means and the Senate Committee on Revenue and Fiscal Affairs, hereinafter "committees", to conduct hearings on the reports every odd-numbered year, to be concluded 30 days before the beginning of the regular session of the legislature. Further requires the committees to analyze and consider tax credits which caused revenue loss to the state and authorizes the committees to report its findings or recommendations developed as a result of the hearings to the legislature.

(Adds R.S. 47:1517.1)