

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 275** SLS 18RS 662

Bill Text Version: **ENGROSSED**

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

Proposed Amd.:

Sub. Bill For.:

Date: April 11, 2018	12:57 PM	Author: MIZELL
Dept./Agy.: Revenue		Analyst: Greg Albrecht
Subject: Income Tax Checkoff, La Coalition Against Domestic Violence		

REVENUE DEPARTMENT EG1 NO IMPACT GF RV See Note Page 1 of 1
 Allows individuals to check the box to have part of their refund go to the La. Coalition Against Domestic Violence for education of women who are victims of domestic violence. (8/1/18)

Allows donation of personal income tax refunds by checkoff to The Louisiana Coalition Against Domestic Violence. Donated monies shall be distributed by the Department of Revenue in accordance with statutory procedures for checkoff donations (R.S. 47:120.37). The bill also creates a special escrow fund in the state treasury, the Louisiana Coalition Against Domestic Violence Fund, to receive deposits of donated tax refunds. The treasury is to remit the balance in the Fund quarterly to the organization, to be utilized for the education of women who are victims of domestic violence. Proposed law also repeals the existing refund checkoff provisions for this purpose in R.S. 47:120.181.

Effective for taxable years beginning on or after January 1, 2018.

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	<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	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
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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

EXPENDITURE EXPLANATION

Adding an additional checkoff to the tax return, in isolation, involves relatively small costs associated with data processing modifications, accounting, and disbursing of any refunds donated. Small incremental costs are also associated with the management of an additional special fund in the state treasury. In addition, R.S. 47:120.37(C) authorizes a 20% fee from the donated amounts to defray these costs, and R.S. 47:120.37(B) provides that existing checkoffs be removed from the tax return if they have not generated at least \$10,000 per year for two consecutive years, except for the donation for the Friends of Palmetto State Park, which is exempt from this removal provision until January 1, 2020.

REVENUE EXPLANATION

There will be no effect on state tax collections since only refunds will be donated. The willingness of taxpayers to donate all or a portion of their tax refunds to any particular purpose can not be predicted. The amount of donations to any particular purpose is likely to be small.

For fiscal year 2016 (the latest year for which the department has published limited information on checkoffs) the 29 checkoffs reported for that year received total donations for all purposes of \$329,303. Donations per checkoff purpose ranged from a high of \$79,180 (Military Family Assistance Fund) to a low of \$415 (Bastion Community of Resilience).

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