

1 WHEREAS, the causes for these spikes in revenue were temporary, being based on
2 natural disasters and the fickle price of a commodity; and

3 WHEREAS, in light of these temporary surpluses, Act No. 399 of the 2007 Regular
4 Session of the Legislature and Act No. 396 of the 2008 Regular Session of the Legislature
5 instituted a reversal of one half of the tax swap policy provided by the Stelly Plan; and

6 WHEREAS, the loss in revenues attributable to the adjustment of the tax brackets
7 has been estimated to be in excess of \$350 million per year, and the loss attributable to the
8 renewal of the deduction for excess federal itemized deductions has been estimated to
9 exceed \$300 million per year; and

10 WHEREAS, a loss of over \$650 million in annual revenue has and will continue to
11 have a significant impact on Louisiana's ability to meet its obligations in areas such as
12 education, health care, roads, capital needs, and the unfunded accrued liability of the
13 retirement systems; and

14 WHEREAS, this loss is compounded by the overall downturn in the revenues of the
15 state and its local governments during this recession; and

16 WHEREAS, the five-year baseline projection of state general fund revenues provided
17 by the division of administration to the Joint Legislative Committee on the Budget on March
18 19, 2010, indicates an estimated state general fund revenue shortfall of over \$2.3 billion for
19 Fiscal Year 2011-2012; and

20 WHEREAS, consideration of tax deductions is within the allowable subject matter
21 for the 2011 Regular Session of the Legislature of Louisiana.

22 THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby
23 urge and request the House Committee on Ways and Means and the Senate Committee on
24 Revenue and Fiscal Affairs to meet and consider the impacts of potential changes in the
25 amount of the individual income tax deduction for excess federal itemized personal
26 deductions.

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)]

Michael Jackson

HCR No. 103

Urges and requests the House Committee on Ways and Means and the Senate Committee on Revenue and Fiscal Affairs to meet and consider the impacts of potential changes in the amount of the individual income tax deduction for excess federal itemized deductions.