

2020 First Extraordinary Session

SENATE BILL NO. 23

BY SENATOR WARD

REVENUE DEPARTMENT. Requires the Department of Revenue to waive penalties and abate interest for certain taxpayers. (Item #29) (7/1/20)

1 AN ACT

2 To enact R.S. 47:1602.2, relative to the Department of Revenue; to require the secretary of
3 the Department of Revenue to waive certain penalties and interest; to provide for
4 limitations; to provide for an effective date; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 47:1602.2 is hereby enacted to read as follows:

7 **§1602.2. Waiver of penalties and interest; tax year 2019**

8 **Notwithstanding any provision of law to the contrary, the secretary of**
9 **the Department of Revenue shall waive all penalties and interest for the late**
10 **filing of an individual, corporation, fiduciary, or partnership tax return or the**
11 **late payment of any individual, corporation, fiduciary, or partnership tax due**
12 **for the 2019 tax year. The provisions of this Section shall not apply to any**
13 **individual, corporation, fiduciary, or partnership tax return filed after July 15,**
14 **2020, or the late payment of any individual, corporation, fiduciary, or**
15 **partnership tax payment submitted after July 15, 2020.**

16 Section 2. This Act shall become effective on July 1, 2020; if vetoed by the governor
17 and subsequently approved by the legislature, this Act shall become effective on July 1,

1 2020, or on the day following such approval by the legislature, whichever is later., and to
2 provide for related matters.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Curry Lann.

DIGEST

SB 23 Original

2020 First Extraordinary Session

Ward

Present law requires the assessment of interest to be added to the amount of tax due when a taxpayer fails to pay a tax on or before the day it is required to be paid. The amount of interest shall accrue at an annual rate of 3% above the judicial interest rate provided for in present law.

Present law requires the secretary of the Dept. of Revenue (DOR) to impose a penalty in addition to any other penalty when a taxpayer fails to make and file any return required to be made in accordance with present law before the time that the return becomes delinquent or when a taxpayer fails to timely remit to the secretary of DOR the total amount of tax that is due on a return which he has filed. The amount of the penalty varies depending on the length of time the deficiency continues.

Proposed law changes present law by establishing a limited period in which the secretary of DOR is required to waive all penalties and interest for the late filing of an individual, corporation, fiduciary, or partnership tax return or the late payment of any individual, corporation, fiduciary, or partnership tax due for the 2019 tax year. The waiver provided for in proposed law shall not apply to any individual, corporation, fiduciary or partnership tax return filed after July 15, 2020, or the late payment of any individual, corporation, fiduciary or partnership tax payment submitted after July 15, 2020.

Effective July 1, 2020.

(Adds R.S. 47:1602.2)