



LEGISLATIVE FISCAL OFFICE

Fiscal Note

Fiscal Note On: **SB 300** SLS 05RS 564
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Sub. Bill For.:
 Proposed Amd.:

Date: May 2, 2005	8:10 PM	Author: MICHOT
Dept./Agy.: Revenue		Analyst: Julie A. Samson
Subject: Ambulance Offset Amounts		

TAX/INCOME/PERSONAL OR INCREASE GF RV See Note Page 1 of 1
 Provides for offset of individual income tax refunds against debts owed emergency ambulance providers.

Proposed legislation allows ambulance service providers to make a claim to offset against any amounts refundable to an individual, because of overpayments of income taxes, for debts owed by the individual to the ambulance service provider. Legislation outlines the procedures for making an offset claim, guidelines for disallowance of a claim by the Department, sets fees and how they are to be distributed between state funds, and specific information that must be included in notices of offset.

Effective upon signature of the governor.

EXPENDITURES	2005-06	2006-07	2007-08	2008-09	2009-10	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
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	2005-06	2006-07	2007-08	2008-09	2009-10	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
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

Proposed legislation will result in an increase in expenditures.

Legislation will require the Department of Revenue to send certified letters to individuals whose refund was offset as a result of proposed legislation. These expenses and any others related to collections activity will be financed through a revolving fund to be used specifically for collection activities related to this bill. For each offset of a debt against a refund due, the Department is to charge a fee of \$20, which is to be distributed evenly between the revolving fund mentioned above and the state general fund.

According to the Revenue, the \$10 portion of the fee retained by the Department, will be sufficient to cover the cost of collection activities.

REVENUE EXPLANATION

Proposed legislation will result in an increase in revenue.

For each offset of a debt against a refund due, the Department of Revenue is to charge a fee of \$20, which is to be distributed evenly between a revolving collections fund in the Department of Revenue and the state general fund. The number of offsets that will be requested from ambulance service providers speculative; however, according to the Louisiana Department of Labor's, Louisiana Occupational Information System(LOIS), there are 75 employers in Louisiana listed under the 6 digit NAICS industry code for ambulance services.

For illustration purposes only, if each of the 75 ambulance service providers submitted 50 offset claims a year, the increase in total fee revenue would be \$75,000. Of these fees, \$37,500 would be retained by the department and \$37,500 would be deposited in the state general fund.

Those fees being retained by the Department for collections purposes are illustrated in the table above as statutorily dedicated revenue.

Senate

Dual Referral Rules

House

13.5.1 >= \$500,000 Annual Fiscal Cost

6.8(F) >= \$500,000 Annual Fiscal Cost

13.5.2 >= \$500,000 Annual Tax or Fee Change

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

Gregory V. Albrecht
Chief Economist