

Regular Session, 2008

SENATE BILL NO. 526

BY SENATOR RISER

FUNDS/FUNDING. Creates the Louisiana Economic Stimulus Rebate Fund and requires the deposit of an amount equal to the amount in excess of the expenditure limit for FY08 and FY09 to be used for providing cash rebates on a pro rata basis, according to the ratio that the amount of individual income tax paid by a taxpayer bears to the total amount of individual income tax paid. (gov sig)

1 AN ACT

2 To enact Subpart P of Part II-A of Subtitle I of Title 39 of the Louisiana Revised Statutes of  
3 1950, to be comprised of R.S. 39:100.71, relative to the Louisiana Economic  
4 Stimulus Rebate Fund; to provide for the deposit of certain amounts in excess of the  
5 expenditure limit for certain fiscal years from the state general fund to the special  
6 fund; to provide for appropriations for cash rebates from such fund; and to provide  
7 for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. Subpart P of Part II-A of Subtitle I of Title 39 of the Louisiana Revised  
10 Statutes of 1950, comprised of R.S. 39:100.71, is hereby enacted to read as follows:

11 **SUBPART P. THE LOUISIANA ECONOMIC STIMULUS REBATE FUND**

12 **§100.71. The Louisiana Economic Stimulus Rebate Fund**

13 **A.(1)(a) Immediately upon the effective date of this Act, an amount of**  
14 **money equal to the amount of money in excess of the expenditure limit**  
15 **calculated by the commissioner of administration for the Fiscal Year 2007-2008**  
16 **as required by R.S. 39:33.1(A), less any deposit or appropriation to the Budget**  
17 **Stabilization Fund as required by Article VII, Section 10.3 of the Constitution**

1 of Louisiana, shall be deposited by the treasurer from the state general fund to  
2 a special fund hereby created in the state treasury to be known as the Louisiana  
3 Economic Stimulus Rebate Fund.

4 (b) Immediately upon such calculation of the expenditure limit for Fiscal  
5 Year 2008-2009, an amount of money equal to the amount of money in excess  
6 of the expenditure limit for such fiscal year, less any deposit or appropriation  
7 to the Budget Stabilization Fund as required by Article VII, Section 10.3 of the  
8 Constitution of Louisiana, shall be deposited by the treasurer from the state  
9 general fund to the Louisiana Economic Stimulus Rebate Fund.

10 (2) The money in the fund shall be appropriated by the legislature each  
11 such fiscal year to be used solely as provided for in Subsection D of this Section.

12 B.(1) The money in the fund shall be invested by the treasurer in the  
13 same manner as money in the state general fund and interest earned on the  
14 investment of the money shall be credited to the fund after compliance with the  
15 requirements of Article VII, Section 9B relative to the Bond Security and  
16 Redemption Fund.

17 (2) If the legislature fails to make the appropriations required by  
18 Subsection C of this Section, then the unexpended and unencumbered money  
19 in the fund at the end of the fiscal year shall remain in the fund.

20 C.(1) The money in the Louisiana Economic Stimulus Rebate Fund shall  
21 be appropriated by the legislature for Fiscal Year 2007-2008 solely and  
22 exclusively for providing cash rebates to the taxpayers of Louisiana allocated  
23 on a pro rata basis, according to the ratio that the amount of individual income  
24 tax, excluding penalty and interest, paid by such taxpayer for his tax year  
25 beginning in 2007 bears to the total amount of individual income tax, excluding  
26 penalty and interest, paid by all taxpayers for their tax years beginning in 2007.  
27 For Fiscal Year 2008-2009, the cash rebate shall be based upon the same  
28 calculation, based upon individual income taxes paid in 2008.

29 (2) The cash rebate provided for in this Section shall not be offset by any

1            **liability of a taxpayer for any tax, penalty, interest, or other charge, it being the**  
 2            **intention of the legislature that the cash rebate provided herein shall be an**  
 3            **economic stimulus and shall not in any manner be considered a tax exemption,**  
 4            **exclusion, deduction, or credit.**

5            Section 2. This Act shall become effective upon signature by the governor or, if not  
 6            signed by the governor, upon expiration of the time for bills to become law without signature  
 7            by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
 8            vetoed by the governor and subsequently approved by the legislature, this Act shall become  
 9            effective on the day following such approval.

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

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#### DIGEST

Proposed law requires the treasurer to deposit from the state general fund to the Louisiana Economic Stimulus Rebate Fund, immediately upon the effective date of the proposed law, an amount equal to the amount of money in excess of the expenditure limit calculated for FY08, less any deposit to the Budget Stabilization Fund required by Const. Art. VII, Sec. 10.3 of the Constitution of Louisiana. Also, requires for such excess to be deposited to the fund in FY09.

Requires the money in the Louisiana Economic Stimulus Rebate Fund to be appropriated for FY08 solely and exclusively for providing cash rebates to taxpayers on a pro rata basis, according to the ratio that the amount of individual income tax, excluding penalty and interest, paid by such taxpayer for his tax year beginning in 2007 bears to the total amount of individual income tax, excluding penalty and interest, paid by all taxpayers for their tax years beginning in 2007. For FY09, the calculation is based upon individual income taxes paid in 2008.

Prohibits the cash rebate from being used to offset any liability of a taxpayer for any tax, penalty, interest, or other charge, stating the intent of the legislature that the cash rebate shall be an economic stimulus and shall not in any manner be considered a tax exemption, exclusion, deduction, or credit.

Proposed law provides for the money in the fund to be invested by the treasurer in the same manner as money in the state general fund and interest earned on the investment of the money to be credited to the fund. If the legislature fails to make the appropriations required by the proposed law, then the unexpended and unencumbered money in the fund at the end of the year must remain in the fund.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Adds R.S. 39:100.71)