



# LOUISIANA SENATE

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## SENATE COMMITTEE TO BEGIN SYSTEMATIC REVIEW OF LOUISIANA STATE TAX EXPENDITURES

### EFFORT TO DETERMINE BENEFIT TO THE STATE & ITS TAXPAYERS

The members of the Senate Committee on Revenue and Fiscal Affairs will begin a systematic review of Louisiana's state tax expenditures at their first meeting of the Regular Session. The meeting is set for Monday, March 21, 2016 at noon in the John J. Hainkel, Jr. Briefing Room at the State Capitol in Baton Rouge. The review effort, which will continue throughout the work of the 2016 Regular Session, is aimed at determining what, if anything, the state and its taxpayers gain from the hundreds of tax exemptions, exclusions, rebates and refunds provided to individuals and businesses.

District 3 State Senator Jean-Paul "JP" Morrell, who chairs the Senate Committee on Revenue and Fiscal Affairs, made a commitment during the recently completed special legislative session to conduct a systematic review of the tax expenditures. The review is particularly important considering Louisiana's on-going budget issues.

"We talk about all the money we give away in Louisiana in the form of special tax breaks but we never stop to ask the question, what do the state and its citizens get in return? These hearings are an opportunity for us to answer that question," Sen. Morrell said. "We want to give the public every opportunity to explain the benefit of their particular tax break and to offer suggestions for any needed changes in the tax exemption."

The committee will review the tax exemptions, exclusions, rebates and refunds in groups of at least ten at each meeting with an attempt to group the various tax expenditures according to subject matter, groups impacted, etc. At the first meeting, senators will review a list of 20 tax exemption items. Going forward, the list of specific tax breaks to be examined will be announced the week prior to each meeting. The list will be included on the committee agenda and posted on the committee's web page on the Senate web site at <http://senate.la.gov/Revenue&Fiscal/Default.asp> .

The 2015-2016 Tax Exemption Budget, just released by the Department of Revenue, lists over 400 different tax exemptions, exclusions, rebates and refunds tied to various taxes. The report estimates the list of tax breaks costs the state almost \$8.2 billion in lost revenue.

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