



Louisiana Senate Finance Committee



FY26 Executive Budget

12 – Louisiana Department of Revenue

March 2025

*Senator Cameron Henry, President
Senator Glen Womack, Chairman*



FY26 Recommended Budget Louisiana Department of Revenue

Department of Revenue's mission — "To fairly and efficiently collect state tax revenue to fund public services; to regulate charitable gaming and the sale of alcoholic beverages and tobacco; and to support state agencies in the collection of overdue debts."

Alcohol and Tobacco Control

Administration, Certification and Enforcement of Alcoholic Beverage and Tobacco Product Sales

- Alcoholic beverage retailers, wholesalers, manufacturers, native wineries
- Retail and wholesale tobacco product dealers
- CBD and vaping products

Tax Collection

Coordinates and implements all efforts related to tax collection

- **Administration** – everyday office functions such as human resources, budgeting, purchasing and technology
- **Tax Policy Management** – policy issues including legislation, rules, fiscal note responses, other policy issues
- **Revenue Collection and Distribution** – return processing, taxpayer registration, state and local taxes
- **Taxpayer Assistance** - customer service and community outreach, tax clearances and certifications
- **Tax Compliance** – audits and investigations of tax related issues
- **Tax Enforcement** – collects tax debt through multiple means and defends the state in litigation

Office of Charitable Gaming

Administration, Certification, Audit and Enforcement of the Charitable Gaming Industry

- Licenses, educates, and monitors organizations conducting legalized gaming as a fund-raising mechanism
- Licenses and enforces commercial lessors of electronic video bingo and progressive mega-jackpot bingo



Louisiana Department of Revenue Office Locations

TAX COLLECTION

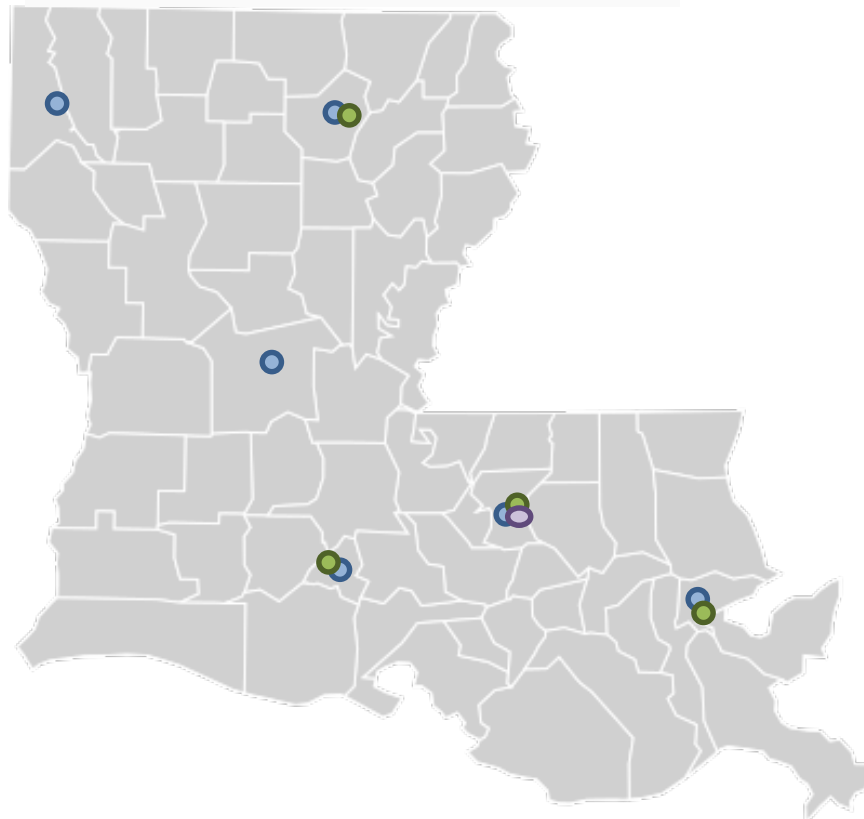
- Baton Rouge (headquarters; LaSalle Building)
- New Orleans (Benson Tower)
- Lafayette (with Wildlife and Fisheries)
- Alexandria (State Office Building)
- Monroe (State Office Building)
- Shreveport (Pierremont Office Park)

ALCOHOL AND TOBACCO CONTROL

- Baton Rouge (headquarters; with Dept. of Public Safety)
- New Orleans (Benson Tower)
- Lafayette (with Wildlife and Fisheries)
- Monroe (State Office Building)

CHARITABLE GAMING

- Baton Rouge (headquarters; LaSalle Building)



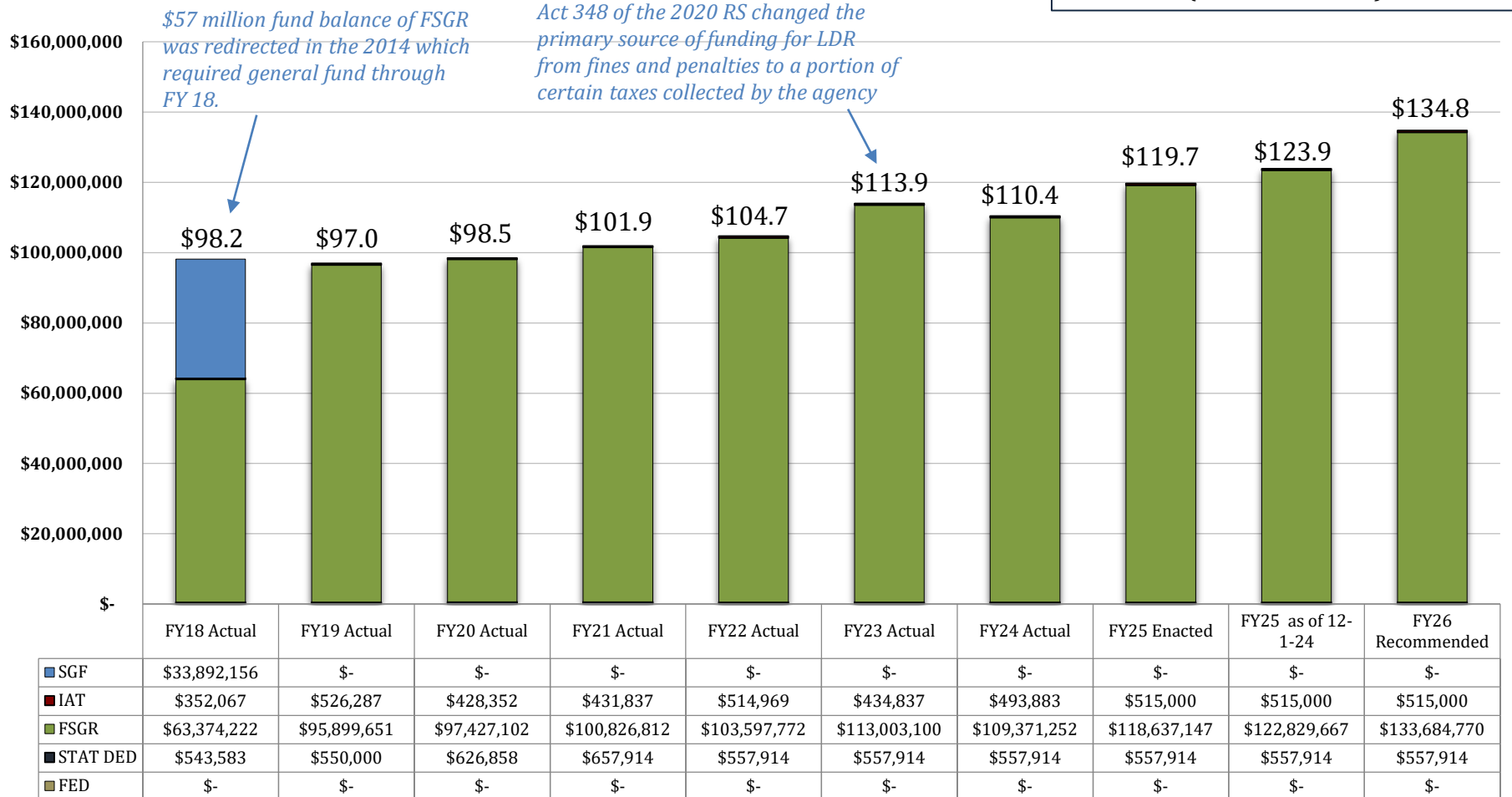


Louisiana Department of Revenue

Changes in Funding since FY18

Total Budget by Fiscal Year and Means of Finance (in \$ millions)

Change from FY18 to FY26 is 37.3%.
(Actual to Recommended)
Change from FY18 to FY24 is 12.5%.
(Actual to Actual)





Act 348 of the 2020 Regular Session

Act 348 of 2020 Regular Session changed the mechanism in which the department is funded. The bill removed most fee & fine penalties and replaced the funding with a flat **1% of sales, income and corporate franchise tax (net of dedications) beginning in Fiscal Year 2023**. Most LDR penalties or fees are instead deposited into the State General Fund. Penalties for violating timely filing or remittance of non-resident athlete income tax, NSF checks, exam costs and distraint or property seizure costs will remain with the department.

Tax Collection Program Major Revenue Sources

Up to Fiscal Year 2021 – 2022	Fiscal Year 2022 – 2023 and Beyond
<ul style="list-style-type: none">• Fees, fines, and penalties assessed on tax paying entities<ul style="list-style-type: none">• <i>Delinquent</i>• <i>Negligence</i>• <i>Late payment</i>• <i>Miscellaneous other fees</i>• Supplemented with State General Fund as needed.	<ul style="list-style-type: none">• A flat 1% fee of multiple taxes collected by the Department of Revenue:<ul style="list-style-type: none">• <i>Sales Tax</i>• <i>Individual Income</i>• <i>Corporate Income & Franchise</i> <p>These funds are classified as fees & self-generated revenue.</p>

Since enactment of this legislation, each year House Bill 1 has contained verbiage allowing the Tax Collection program to retain \$50,000,000 at the end of each year to be carried into the next fiscal year.

The bill also allows retention of all fees & self-generated funds in the Alcohol and Tobacco Control and Office of Charitable Gaming.



FY26 Recommended Statewide Adjustments

State General Fund (Direct)	Interagency Transfers	Fees and Self-generated Revenues	Statutory Dedications	Federal Funds	Total	T.O.	Adjustment
\$0	\$515,000	\$122,829,667	\$557,914	\$0	\$123,902,581	724	FY25 Existing Operating Budget as of 12/1/24
\$0	\$0	\$825,512	\$40,275	\$0	\$865,787	0	Acquisitions & Major Repairs
\$0	\$0	(\$6,181)	\$0	\$0	(\$6,181)	0	Administrative Law Judges
\$0	\$0	(\$1,968,166)	\$0	\$0	(\$1,968,166)	0	Attrition Adjustment
\$0	\$0	(\$7,127)	\$0	\$0	(\$7,127)	0	Capitol Park Security
\$0	\$0	\$24,878	\$0	\$0	\$24,878	0	Civil Service Fees
\$0	\$0	\$425,887	\$0	\$0	\$425,887	0	Civil Service Training Series
\$0	\$0	\$205,788	\$0	\$0	\$205,788	0	Group Insurance Rate Adjustment for Active Employees
\$0	\$0	\$232,617	\$0	\$0	\$232,617	0	Group Insurance Rate Adjustment for Retirees
\$0	\$0	(\$40,859)	\$0	\$0	(\$40,859)	0	Legislative Auditor Fees
\$0	\$0	\$26,201	\$0	\$0	\$26,201	0	Maintenance in State-Owned Buildings
\$0	\$0	\$1,652,510	\$0	\$0	\$1,652,510	0	Market Rate Classified
\$0	\$0	(\$448,580)	(\$16,814)	\$0	(\$465,394)	0	Non-Recurring Acquisitions & Major Repairs
\$0	\$0	(\$4,192,520)	\$0	\$0	(\$4,192,520)	0	Non-recurring Carryforwards
\$0	\$0	(\$12,506)	\$0	\$0	(\$12,506)	0	Office of State Procurement
\$0	\$0	\$11,874,097	\$0	\$0	\$11,874,097	0	Office of Technology Services (OTS)
\$0	\$0	(\$94,080)	\$0	\$0	(\$94,080)	(1)	Personnel Reductions
\$0	\$0	(\$34,332)	\$0	\$0	(\$34,332)	0	Related Benefits Base Adjustment
\$0	\$0	(\$29,337)	\$0	\$0	(\$29,337)	0	Rent in State-Owned Buildings
\$0	\$0	(\$697,317)	\$0	\$0	(\$697,317)	0	Retirement Rate Adjustment
\$0	\$0	\$3,344	\$0	\$0	\$3,344	0	Risk Management
\$0	\$0	\$2,046,407	\$0	\$0	\$2,046,407	0	Salary Base Adjustment
\$0	\$0	(\$2,133)	\$0	\$0	(\$2,133)	0	State Treasury Fees
\$0	\$0	(\$2,850)	\$0	\$0	(\$2,850)	0	UPS Fees
\$0	\$0	\$9,781,253	\$23,461	\$0	\$9,804,714	(1)	Total Statewide Adjustments
\$0	\$0	\$1,073,850	(\$23,461)	\$0	\$1,050,389	0	Total Other Adjustments
\$0	\$515,000	\$133,684,770	\$557,914	\$0	\$134,757,684	723	TOTAL FY 26 RECOMMENDED BUDGET
\$0	\$0	\$10,855,103	\$0	\$0	\$10,855,103	(1)	Total Adjustments (Statewide and Agency-specific)



FY26 Recommended Agency Specific Adjustments

Other Adjustments

State General Fund (Direct)	Interagency Transfers	Fees and Self-generated Revenues	Statutory Dedications	Federal Funds	Total	T.O.	Adjustment
\$0	\$0	\$1,073,850	\$0	\$0	\$1,073,850	0	Increases in funding provided to the Board of Tax Appeals for their Administrative and Local Programs in accordance with established IAT agreements.
\$0	\$0	\$0	(\$23,461)	\$0	(\$23,461)	0	Reduces expenditures from the Tobacco Regulation Enforcement Fund in order to balance the available amount of revenue in the fund.
\$0	\$0	\$1,073,850	(\$23,461)	\$0	\$1,050,389	0	Total Other Adjustments



Categorical Expenditures

Examples of Categories

Departments expend funding in the five major categories listed below.

Personal Services

- Salaries – Regular, overtime, and termination pay for Classified and Unclassified personnel.
- Other Compensation – Wages, student labor, compensation for board members and/or board of trustees, evening instruction, university instructors, etc.
- Related Benefits – Retirement contributions, post-retirement contributions/benefits, FICA tax, Medicare tax, group insurance contributions, compensated absences, other related benefits, taxable fringe benefits, etc.

Total Operating Expenses

- Travel – In-state and Out-of-state, including meal reimbursement.
- Operating Services – Advertising, printing, insurance, maintenance, rentals, data processing, internet costs, dues and subscriptions, mail delivery, telephones, data lines, vehicle tracking and telematics, utilities, depreciation, amortization, banking services, credit card fees, etc.
- Supplies – office supplies and equipment, computers, clothing and uniforms, medical, pharmaceutical, food, automotive, repair and maintenance, software, etc.

Professional Services – Accounting, auditing, management consulting, engineering, architectural, legal, medical and dental, veterinary, information technology, etc.

Total Other Charges

- Other Charges – Aid to school boards, local government, etc.; public assistance; miscellaneous charges; judgments, fines, and penalties; interest on judgments; punitive/compensatory damages; OC personal services, operating expenses, professional services; contract attorney expenses; recoupments; furlough; contractual services; interest expense; claim payments; commercial group insurance; reinsurance; loans issued; disbursements; etc.
- Debt Service – Principal, interest, related charges, reserve requirement, amortization, and bond premiums.
- Interagency Transfer Line-Item Expenditure – Any expenses paid for with Interagency Transfers – from commodities and services to equipment.

Acquisitions and Major Repairs

- Acquisitions – Land; buildings; automobiles; aircraft; accessories; equipment; software; hardware; farm and heavy equipment; boats; capital outlay expenditures; construction; etc.
- Major Repairs – Land improvement; buildings; automotive; grounds; boats; aircraft; movable equipment; farm equipment; medical; office; library; education; recreation; communication; other equipment; pollution remediation; etc.



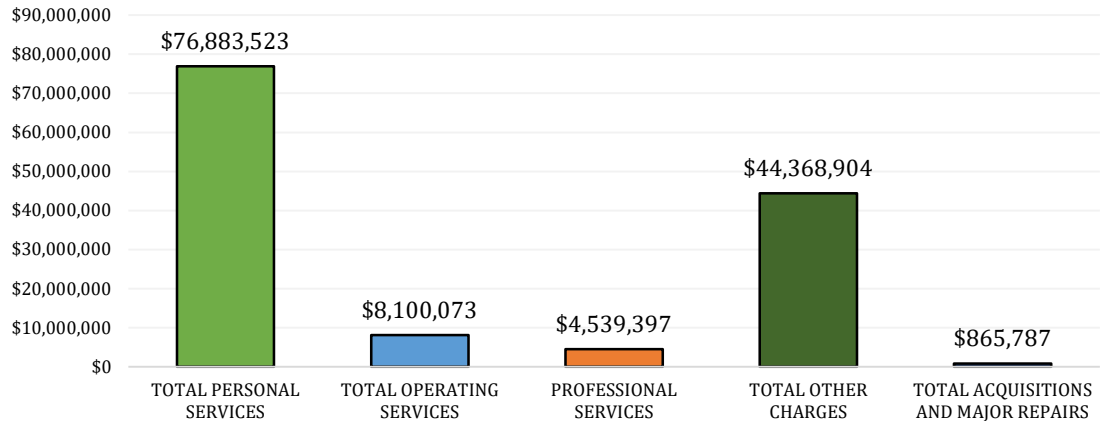
Louisiana Department of Revenue

Categorical Expenditures at FY26 Recommended

The largest expenditure category in the Louisiana Department of Revenue is Personal Services, which comprises 57 percent of the agency's budget. Within this category, Salaries make up 61 percent of expenditures, while Related Benefits contributes 37 percent.

Total Other Charges make up the second largest portion of the agency's budget at 33 percent. This is where payments are made to other state agencies for standard services, such as risk management fees, technology services costs, and rent payments for department facilities.

FY26 Recommended Expenditures



Categorical Expenditures	FY24 Actual	FY25 Enacted	FY25 EOB as of 12/01/24	FY26 Recommended	Difference FY25 EOB vs. FY26 REC
Salaries	\$41,181,035	\$44,902,361	\$44,902,361	\$47,092,620	\$2,190,259
Other Compensation	\$1,185,035	\$1,718,388	\$1,718,388	\$1,718,388	\$0
Related Benefits	\$26,558,381	\$28,493,499	\$28,493,499	\$28,072,515	(\$420,984)
TOTAL PERSONAL SERVICES	\$68,924,451	\$75,114,248	\$75,114,248	\$76,883,523	\$1,769,275
Travel	\$405,678	\$1,027,318	\$1,027,318	\$1,027,318	\$0
Operating Services	\$2,422,901	\$6,553,544	\$6,605,544	\$6,605,544	\$0
Supplies	\$363,421	\$467,211	\$467,211	\$467,211	\$0
TOTAL OPERATING EXPENSES	\$3,192,001	\$8,048,073	\$8,100,073	\$8,100,073	\$0
PROFESSIONAL SERVICES	\$3,472,456	\$4,539,397	\$4,539,397	\$4,539,397	\$0
Other Charges	\$332,720	\$1,281,183	\$1,169,083	\$1,169,122	\$39
Debt Service	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$33,597,305	\$30,261,766	\$34,501,240	\$43,199,782	\$8,698,542
TOTAL OTHER CHARGES	\$33,930,025	\$31,542,949	\$35,670,323	\$44,368,904	\$8,698,581
Acquisitions	\$904,117	\$465,394	\$478,540	\$865,787	\$387,247
Major Repairs	\$0	\$0	\$0	\$0	\$0
TOTAL ACQ. & MAJOR REPAIRS	\$904,117	\$465,394	\$478,540	\$865,787	\$387,247
TOTAL EXPENDITURES	\$110,423,050	\$119,710,061	\$123,902,581	\$134,757,684	\$10,855,103



Louisiana Department of Revenue

Categorical Expenditures at FY26 Recommended

Professional Services

Amount	Description
\$4,095,978	Legal consultation, tax law cases and tax auditing services
\$443,419	To provide ongoing legal services to the Office of Alcohol and Tobacco Control, veterinary care, and boarding services for ATC canines
\$4,539,397	Total Professional Services

Other Charges

Amount	Description
\$605,982	Other charges positions to handle call center operations
\$473,140	ATC Investigative Funds
\$90,000	LDH Compliance Check Grant - Investigative Funds
\$1,169,122	Total Other Charges

Acquisitions & Major Repairs

Amount	Description
\$738,000	12 replacement law enforcement vehicles including necessary enhancements
\$100,687	Equipment (cameras, scanners, bulletproof vests, office equipment, uniforms/jackets, etc.) for ATC agents
\$27,100	Phone headsets for Business Tax Enforcement, Customer Services, Collections, and the Office of Debt Recovery
\$865,787	Total Acquisitions & Major Repairs

Interagency Transfers Expenses

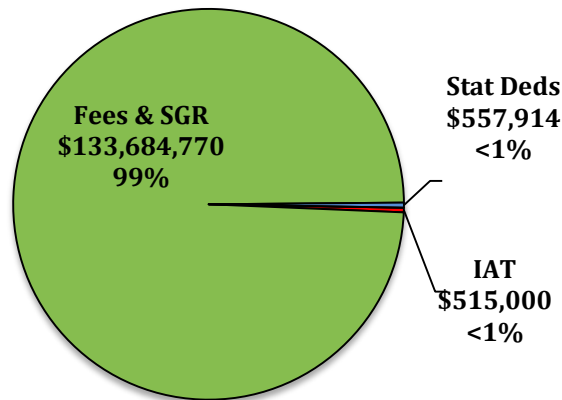
Amount	Description
\$29,448,680	Office of Technology Services (OTS) - Fees
\$5,441,554	Office of Technology Services (OTS) - Printing & state mail services
\$2,432,100	Office of Technology Services (OTS) - Telecommunications
\$1,724,930	Rent in state-owned buildings
\$1,073,850	Louisiana Board of Tax Appeals
\$583,400	Office of Risk Management (ORM) premiums
\$547,566	Legislative Auditor Fees
\$453,968	Rent in Benson Towers
\$307,812	Civil Service fees
\$263,901	Department of Public Safety - LaSalle Building security overtime
\$230,675	Capitol Park security fees
\$194,224	State Treasury fees
\$150,000	Office of the Attorney General - Fraud investigation
\$101,000	La. Dept of Wildlife & Fisheries - Annual rental leases throughout the state
\$50,000	Office of the Attorney General
\$45,366	Uniform Payroll System (UPS) fees
\$44,251	Maintenance in state-owned buildings
\$40,000	Dept of Children and Family Services - Financial institutions data match
\$20,000	Division of Administration - State Register fees
\$13,869	Office of State Police - Annual lease rental
\$12,526	Office of State Buildings and Grounds
\$11,000	Louisiana Property Assistance Agency - GPS services
\$9,110	Office of State Procurement (OSP) fees
\$43,199,782	Total IAT Expenses



Louisiana Department of Revenue

Total Funding	FY24 Actual	FY25 Enacted	FY25 EOB as of 12-1-24	FY26 Recommended	Difference FY25 EOB to FY26 Recommended
State General Fund	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$493,883	\$515,000	\$515,000	\$515,000	\$0
Fees and Self-generated Revenue	\$109,371,252	\$118,637,147	\$122,829,667	\$133,684,770	\$10,855,103
Statutory Dedications	\$557,914	\$557,914	\$557,914	\$557,914	\$0
Federal	\$0	\$0	\$0	\$0	\$0
REVENUE TOTAL	\$110,423,050	\$119,710,061	\$123,902,581	\$134,757,684	\$10,855,103
Total Positions	724	724	724	723	(1)

FY26 Recommended Means of Finance



Sources of Funding:

Interagency Transfers:

- Department of Public Safety for the enforcement of the prohibition on alcoholic beverage sales to minors
- Louisiana Department of Health for the enforcement of the prohibition on tobacco sales to minors

Fees and Self-generated Revenues:

- 1% of sales, income and corporate franchise tax (net of dedications)
- Penalties for:
 - violating timely filing or remittance of non-resident athlete income tax
 - NSF checks
 - exam costs
 - distraint or property seizure costs
- LA Entertainment Development Fund Account

Statutory Dedications	Source of Funding	FY24 Actual	FY25 EOB as of 12-1-24	FY26 Recommended	Change from FY25 EOB to FY26 Recommended
Tobacco Regulation Enforcement Fund	One cent tax charged to consumers for the purchase per pack of cigarettes	\$557,914	\$557,914	\$557,914	\$0
	Total	\$557,914	\$557,914	\$557,914	\$0



Louisiana Department of Revenue

FY25 Budget vs. FY26 Recommended Comparison by Program

FY25 12/1 EOB Total MOF by Agency	SGF	IAT	FSGR	Stat Deds	Federal	Total
Tax Collection	\$0	\$0	\$111,721,899	\$0	\$0	\$111,721,899
Alcohol & Tobacco Control	\$0	\$515,000	\$8,360,928	\$557,914	\$0	\$9,433,842
Charitable Gaming	\$0	\$0	\$2,746,840	\$0	\$0	\$2,746,840
TOTAL	\$0	\$515,000	\$122,829,667	\$557,914	\$0	\$123,902,581

FY26 Recommended Total MOF by Agency	SGF	IAT	FSGR	Stat Deds	Federal	Total
Tax Collection	\$0	\$0	\$121,616,659	\$0	\$0	\$121,616,659
Alcohol & Tobacco Control	\$0	\$515,000	\$9,383,233	\$557,914	\$0	\$10,456,147
Charitable Gaming	\$0	\$0	\$2,684,878	\$0	\$0	\$2,684,878
TOTAL	\$0	\$515,000	\$133,684,770	\$557,914	\$0	\$134,757,684

Difference FY25 EOB to FY26 Recommended	SGF	IAT	FSGR	Stat Deds	Federal	Total
Tax Collection	\$0	\$0	\$9,894,760	\$0	\$0	\$9,894,760
Alcohol & Tobacco Control	\$0	\$0	\$1,022,305	\$0	\$0	\$1,022,305
Charitable Gaming	\$0	\$0	(\$61,962)	\$0	\$0	(\$61,962)
TOTAL	\$0	\$0	\$10,855,103	\$0	\$0	\$10,855,103

The department's total FY26 Recommended Budget increased by **\$10.9M or 8.8%** in Fees and Self-generated Revenues compared to the FY 25 12/1 EOB. This was primarily driven by the following:

- \$11.9 million, or a 67 percent, increase in projected payments to the Office of Technology Services in FY 2026.
- **(-\$2.1 million)** decrease in net statewide adjustments aside from OTS, driven by the removal of funding for one-time expenditures carried forward into FY25 **(-\$4.2 million)** and an adjustment to account for vacancies **(-\$2.0 million)**. These adjustments are netted with the cost to align base personnel costs with FY 2026 needs **(\$2.0 million)** and funding for standard pay increases **(\$1.7 million)**.
- **\$1.1 million** increase to cover increased costs in the Louisiana Board of Tax Appeals.
- **(\$-23,461)** decrease to align the Tobacco Regulation Enforcement Fund with projected available revenue within the fund.

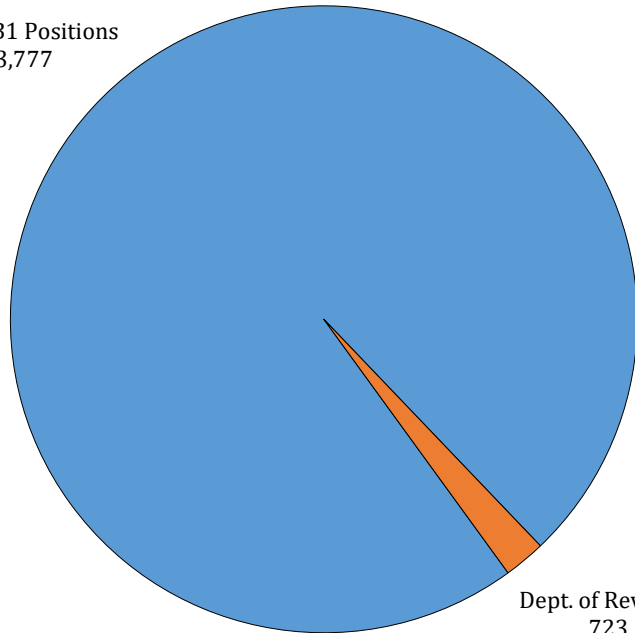


Department of Revenue

FTEs, Authorized T.O., and Other Charges Positions

FY26 Recommended Department Positions as a portion of FY26 Recommended HB1 Authorized Positions

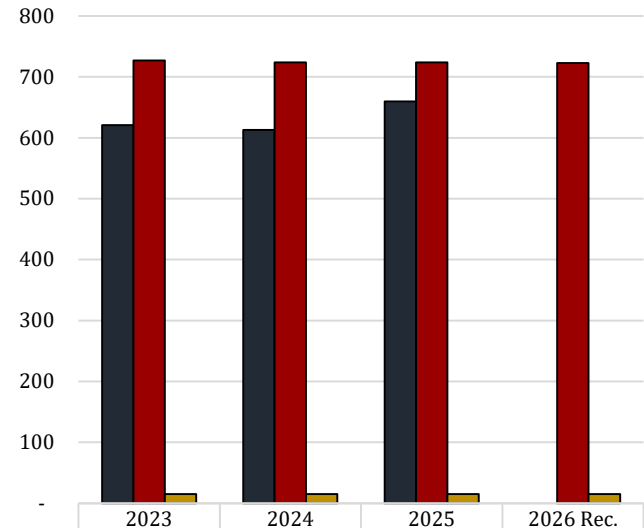
Total HB1 Positions
33,777



Dept. of Revenue
723
2%

FY25 number of funded, but not filled,
positions as of December 30, 2024 = 51

Number and Types of Positions



	2023	2024	2025	2026 Rec.
■ Total FTEs (1st July Report)	621	613	660	
■ Authorized T.O. Positions	727	724	724	723
■ Other Charges Positions	15	15	15	15

The full-time equivalent or **FTE** definition refers to the number of hours considered full-time. For example, if an agency considers 40 hours full time, and there are two employees working 20 hours per week, those two employees would be 1.0 FTE.

Authorized Positions are those referred to in the Table of Organization (or T.O.) for each department. This count includes only those positions paid for from the Salaries expenditure category for the organization units and agencies included in each department's appropriation. This excludes positions paid for from other expenditure categories, such as wages or per diem.

Other Charges positions are authorized under R.S. 39:2(5)(b):

(5)(b) "Authorized other charges positions" means the number of positions in an appropriation bill to be funded by the other charges continuing category of the accounting system for the state. The number may be adjusted during a fiscal year in accordance with law.

- [Act 377 of 2013 by Rep. Burrell]
- Positions coded in the Other Charges expenditure category
- These positions are usually associated with federal grants



Department of Revenue

Related Employment Information

Salaries and Related Benefits for the 723 Authorized Positions are listed below in Chart 1.
 In Chart 2, benefits are broken out to show the portion paid for active versus retired employees.
 This is where payments for the Unfunded Accrued Liability (UAL) can be found.

1.

Personal Services	2023 Actual	2024 Actual	2025 Enacted	2026 Recommended
Salaries	\$39,644,982	\$41,181,035	\$44,902,361	\$47,092,620
Other Compensation	\$1,243,815	\$1,185,035	\$1,718,388	\$1,718,388
Related Benefits	\$26,179,582	\$26,558,381	\$28,493,499	\$28,072,515
Total Personal Services	\$67,068,379	\$68,924,451	\$75,114,248	\$76,883,523

Average T.O. Salary = \$64,429

Examples of Other Compensation include pay for WAE employees, part-time employees, student workers, etc.

2.

Related Benefits FY26 Recommended	Total Funding	%
Total Related Benefits	\$28,072,515	
UAL payments	\$11,324,953	40%
Retiree Health Benefits	\$6,235,632	
Remaining Benefits*	\$10,511,930	
Means of Finance	General Fund = 0%	Other = 100%

Department Demographics	Total	%
Gender		
Female	548	76
Male	175	24
Race/Ethnicity		
White	235	33
Black	441	61
Other	47	6
Currently in DROP or Eligible to Retire	95	13

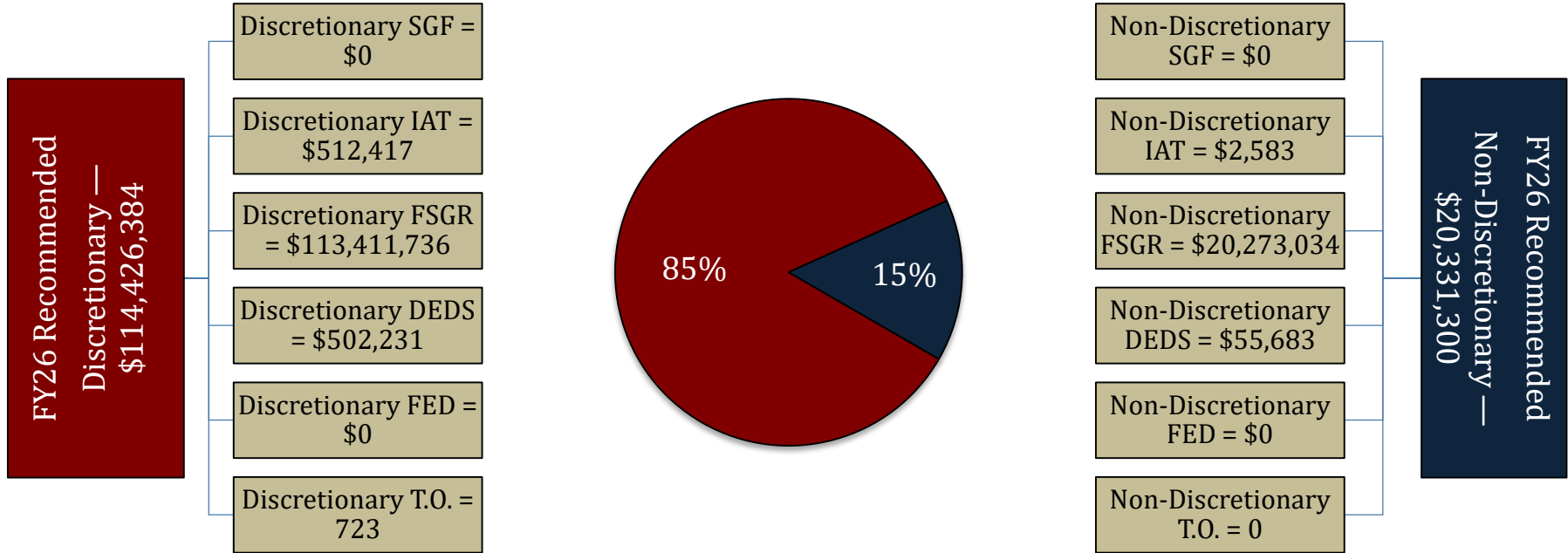
* Remaining Benefits include employer contribution to authorized positions' retirement, health, Medicare, FICA, Emoluments etc. The authorized positions include authorized T.O. positions and authorized other charges positions, both filled and vacant.

Other Charges Benefits
\$235,592



Louisiana Department of Revenue

FY26 Discretionary/Non-Discretionary Comparison



Total Discretionary Funding by Office		
Tax Collection	\$ 102,955,600	90%
Alcohol & Tobacco Control	\$ 9,089,906	8%
Charitable Gaming	\$ 2,380,878	2%
Total Discretionary	\$ 114,426,384	100%

Total Non-Discretionary Funding by Type		
UAL Obligation	\$ 11,324,953	56%
Retirees Group Insurance	\$ 6,235,632	31%
Rent & Maintenance in State-owned Buildings	\$ 2,223,149	11%
Legislative Auditor Fees	\$ 547,566	3%
Total Non-Discretionary	\$ 20,331,300	100%



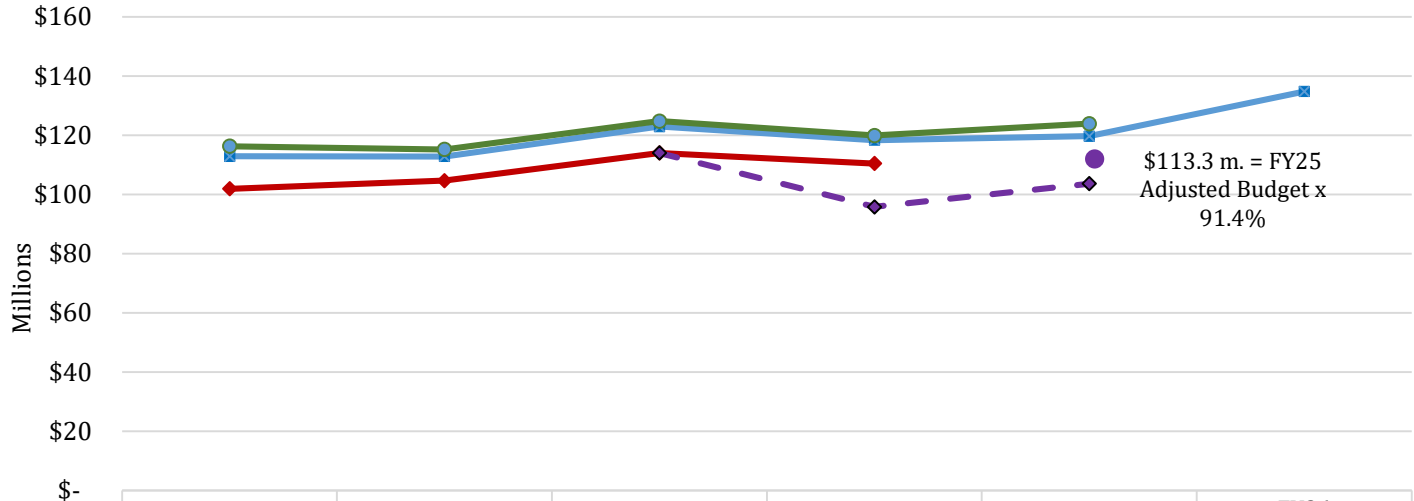
Louisiana Department of Revenue

Enacted & FYE Budget vs. Actual Expenditures FY21 to FY24

FYE Budget = "Fiscal Year End" Budget includes all in-house and regular BA-7s through June 30 of the fiscal year. For FY25, it is as of January.

FY25 Known Supplemental Needs:
\$0

FY24 General Fund Reversions*:
\$ 66,446,926



	FY21	FY22	FY23	FY24	FY25 EOB	FY26 Recommended
Enacted Budget	\$112,854,331	\$112,808,767	\$122,943,940	\$118,358,376	\$119,710,061	\$134,757,684
FYE Budget	\$116,300,373	\$115,205,194	\$124,781,074	\$119,930,138	\$123,902,581	
Actual Expenditures	\$101,916,566	\$104,670,655	\$113,995,851	\$110,423,050		
FY25 Expenditure Trend			\$113,995,851	\$95,801,234	\$103,649,849	

Monthly Budget Activity				
	FY25 Adjusted Budget	FY25 Aggregate Expenditures	Remaining Budget Authority	Percent Expended To Date
Jul-24	\$ 119,710,061	\$ 6,320,413	\$ 113,389,648	5.3%
Aug-24	\$ 123,902,581	\$ 13,400,008	\$ 110,502,573	10.8%
Sep-24	\$ 123,902,581	\$ 22,117,405	\$ 101,785,176	17.9%
Oct-24	\$ 123,902,581	\$ 32,536,877	\$ 91,365,704	26.3%
Nov-24	\$ 123,902,581	\$ 42,696,549	\$ 81,206,032	34.5%
Dec-24	\$ 123,902,581	\$ 49,879,255	\$ 74,023,326	40.3%
Jan-25	\$ 123,902,581	\$ 60,462,412	\$ 63,440,169	48.8%

Monthly Budget Activity				
	FY25 Adjusted Budget	FY25 Aggregate Expenditures	Remaining Budget Authority	Percent Expended To Date
<i>(Trend based on average monthly expenditures to date)</i>				
Feb-25	\$ 123,902,581	\$ 69,099,899	\$ 54,802,682	55.8%
Mar-25	\$ 123,902,581	\$ 77,737,387	\$ 46,165,194	62.7%
Apr-25	\$ 123,902,581	\$ 86,374,874	\$ 37,527,707	69.7%
May-25	\$ 123,902,581	\$ 95,012,361	\$ 28,890,220	76.7%
Jun-25	\$ 123,902,581	\$ 103,649,849	\$ 20,252,732	83.7%
<i>Historical Year End Average</i>				91.4%

* Figure represents agency fees & self-generated revenue collections that were unspent and ultimately captured in the FY24 surplus calculation.



Incentive Expenditure Forecast

Schedule 12 Department of Revenue

Incentive Expenditure Forecast

In accordance with Act 401 of the 2017 Regular Session, below is the listing of the incentive expenditure programs as recognized by the most recent Revenue Estimating Conference. This department administers the following incentive expenditure programs:

INCENTIVE EXPENDITURES:	AUTHORITY	FORECAST
Procurement Processing Company Rebate Program	<i>R.S. 47:6351</i>	\$ 81,519,000
Louisiana Capital Companies Tax Credit Program	<i>R.S. 51:1921</i>	\$ 0

For FY26, the Department of Revenue is forecasting the value of incentive expenditures to be \$81.5M.

This table adopted at Revenue Estimating Conference includes history and an estimate of the amount of state general fund that is expected to be foregone for each incentive. In its official forecast, the Revenue Estimating Conference forecasts state general fund available after deducting the impact of these incentives, as the amount forecasted for these incentives are taken from the initial forecasted collections rather than recognized as revenue and appropriated in by the Legislature.

(The full Incentive Expenditure Forecast report is on the following page. Most of the remaining incentive expenditure programs are administered by the Department of Economic Development)



Louisiana Department of Revenue Incentive Expenditure Forecast

Incentive Expenditure	Legal Authority	Adm. Agency	FYE 6-23 (Projected)	FYE 6-23 (Actual)	% of Actuals to Projected	FYE 6-24 (Projected)	FYE 6-24 (YTD Actual)	% of Actuals to Projected	FYE 6-25 (Projected)	FYE 6-25 (YTD Actual)	% of Actuals to Projected
Tax Credit for Rehabilitation of Historic Structures	R.S. 47:6019	CRT/LDR	\$112,200,000	\$86,259,590	77%	\$125,000,000	\$67,521,686	54%	\$125,000,000	\$11,768,203	9%
Atchafalaya Trace Heritage Area Development Zone	R.S. 25:1226	CRT/LED	\$0	\$0	N/A	\$0	\$0	N/A	\$0	\$0	N/A
Cane River Heritage Tax Credit	R.S. 47:6026	CRT	\$0	\$0	N/A	\$0	\$0	N/A	\$0	\$0	N/A
		Subtotal	\$112,200,000	\$86,259,590		\$125,000,000	\$67,521,686		\$125,000,000	\$11,768,203	
Brownfields Investor Tax Credit	R.S. 47:6021	DEO	Negligible	\$0	N/A	\$0	\$0	N/A	\$0	\$0	N/A
		Subtotal	\$0	\$0		\$0	\$0		\$0	\$0	
Motion Picture Investor Tax Credit (See Notes 1 & 4)	R.S. 47:6007	LED	\$194,377,000	\$134,482,210	69%	\$180,000,000	\$132,439,615	74%	\$180,000,000	\$38,529,466	21%
Louisiana Quality Jobs Program Act	R.S. 51:2451	LED	\$190,000,000	\$150,061,656	79%	\$170,000,000	\$94,409,917	56%	\$173,400,000	\$46,139,549	27%
Louisiana Enterprise Zone Act	R.S. 51:1781	LED	\$38,700,000	\$23,070,138	60%	\$35,800,000	\$7,293,775	20%	\$35,084,000	\$13,440,483	38%
Digital Interactive Media and Software Act	R.S. 47:6022	LED	\$34,423,000	\$16,914,877	49%	\$86,343,000	\$18,969,966	22%	\$20,000,000	\$8,148,736	41%
Research and Development Tax Credit (Note 4)	R.S. 47:6015	LED	\$6,500,000	\$11,488,084	177%	\$7,400,000	\$14,444,885	195%	\$8,000,000	\$6,569,498	82%
Retention and Modernization Act	R.S. 51:2399.1	LED	\$5,000,000	\$2,302,000	46%	\$2,348,000	\$3,430,579	146%	\$2,395,000	\$3,000,000	125%
Industrial Tax Equalization Program	R.S. 47:3201	LED	\$2,500,000	\$2,204,958	88%	\$2,161,000	\$1,381,141	64%	\$2,118,000	\$1,117,323	53%
Angel Investor Tax Credit Program	R.S. 47:6020	LED	\$3,385,000	\$1,782,014	53%	\$2,000,000	\$2,301,470	115%	\$1,960,000	\$757,043	39%
Musical and Theatrical Productions Income Tax Credit	R.S. 47:6034	LED	\$3,500,000	\$758,797	22%	\$1,500,000	\$852,752	57%	\$1,470,000	\$648,341	44%
Exemptions for Manufacturing Establishments	R.S. 47:4301-	LED	\$2,500,000	\$886,430	35%	\$750,000	\$0	0%	\$735,000	\$940,279	128%
Sound Recording Investor Tax Credit	R.S. 47:6023	LED	\$75,000	\$47,229	63%	\$50,000	\$22,642	45%	\$49,000	Negligible	#VALUE!
New Markets Tax Credit (See Note 2)	R.S. 47:6016	LED/L	Unable to anticipate	\$0	N/A	Not in effect	\$0	N/A	\$0	\$0	N/A
Competitive Projects Payroll Incentive Program	R.S. 51:3121	LED	\$0	\$0	N/A	\$0	\$0	N/A	\$0	\$0	N/A
Ports of Louisiana Tax Credits	R.S. 47:6036	LED	\$0	\$0	N/A	\$0	\$0	N/A	\$0	\$0	N/A
Corporate Headquarters Relocation Program	R.S. 51:3111	LED	Not in effect	Not in effect	132%	Not in effect	Not in effect	79%	Not in effect	Not in effect	24%
Louisiana Community Economic Development Act	R.S. 47:6031	LED	Not in effect	Not in effect	85%	Not in effect	Not in effect	69%	Not in effect	Not in effect	20%
Louisiana Motion Picture Incentive Act	R.S. 47:1121	LED/O	Not in effect	Not in effect	99%	Not in effect	Not in effect	60%	Not in effect	Not in effect	6%
Tax Credit for Green Jobs Industries	R.S. 47:6037	LED	Not in effect	Not in effect	68%	Not in effect	Not in effect	49%	Not in effect	Not in effect	10%
Technology Commercialization Credit and Jobs	R.S. 51:2351	LED	Not in effect	Not in effect	118%	Not in effect	Not in effect	177%	Not in effect	Not in effect	57%
University Research and Development Parks	R.S. 17:3389	LED	Not in effect	Not in effect	58%	Not in effect	Not in effect	46%	Not in effect	Not in effect	0%
Urban Revitalization Tax Incentive Program	R.S. 51:1801	LED	Not in effect	Not in effect	74%	Not in effect	Not in effect	88%	Not in effect	Not in effect	N/A
		Subtotal	\$480,960,000	\$343,998,393		\$488,352,000	\$275,546,742		\$425,211,000	\$119,290,718	
Procurement Processing Company Rebate Program	R.S. 47:6351	LDR	\$70,000,000	\$73,100,278	104%	\$81,519,000	\$80,607,500	99%	\$83,149,000	\$44,722,061	54%
Louisiana Capital Companies Tax Credit Program***	R.S. 51:1921	LDR	\$0	\$0	N/A	\$0	\$0	N/A	\$0	\$0	N/A
		Subtotal	\$70,000,000	\$73,100,278		\$81,519,000	\$80,607,500		\$83,149,000	\$44,722,061	
Tax Credit for Donations to School Tuition Orgs	R.S. 47:6301	DOE	\$14,117,000	\$18,868,198	134%	\$20,600,000	\$18,666,708	91%	\$21,800,000	\$8,620,220	40%
		Subtotal	\$14,117,000	\$18,868,198		\$20,600,000	\$18,666,708		\$21,800,000	\$8,620,220	
		TOTAL	\$677,277,000	\$522,226,459	77%	\$715,471,000	\$442,342,636	62%	\$655,160,000	\$184,401,202	28%

Negligible means less than \$10,000; Sorted on FYE 6-23 (YTD)

* **Note 1** - Motion Picture Investor Credits sold to the state under the buy back provisions of R.S. 47:6007 are accounted for based on when the check associated with the buy back is issued rather than the date the credit is transferred to the state for buy back. Projections are limited to the \$180,000,000 credit cap set forth in Acts 2015, No. 134. Actuals are also limited to the cap but due to deferrals not claimed in the proper fiscal year, the amount issued may be different.

** **Note 2** - The New Markets Jobs Act reduces insurance premium taxes. An additional \$75M of investment authority was authorized by Act 17 (1ES2020) and \$150M by Act 433(RS2023).

*** **Note 3** - Louisiana Capital Companies Tax Credit Program also allows a credit against insurance premium taxes.

This report was prepared in accordance with LA R.S. 39:24.1 for use at the Revenue Estimating Conference scheduled for December 14, 2023.



Department of Revenue

Office of Debt Recovery

The Office of Debt Recovery (ODR) was established by Act 399 of the 2013 Regular Session. It is an office within the Department of Revenue created to collect delinquent taxes and other debt on behalf of other state agencies using collection tools available to LDR. All agencies that did not have contracts with the Attorney General's Office by January 1, 2014 were directed to refer all outstanding final debt to ODR.

There are currently 160 Agency Participation Agreements in the Office of Debt Recovery.

Office of Debt Recovery			
FY15	\$96,474	FY21	\$40,885,082
FY16	\$50,781,585	FY22	\$53,399,691
FY17	\$41,427,463	FY23	\$52,214,984
FY18	\$31,948,792	FY24	\$89,390,029
FY19	\$60,750,004	FY25 thru 12/1	\$5,405,456
FY20	\$58,555,958	Collections Since Inception	\$484,855,518

The Department imposes a collection which is added to the debt owed by the taxpayer that is retained by the agency to fund the office. Historically, this was set at 25% in addition to the amount owed - however, this was recently lowered to 15% in 2023.