

**Actions Affecting Major State Tax, License and Fee Estimates  
and Estimates of Net Available State General Fund Revenue**

2008 2nd Extraordinary Session

<b>Instrument</b>	<b>Description</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>
<b>SESSION ACTIONS - REVENUE</b>						
<b>Sales Tax - General</b>						
Act 1 2nd. Ex. Session HB 1	Eliminate 1% levy of state sales tax on nonresidential purchases of electricity, natural gas energy, steam, and water. Also eliminates all 4% tax on nonresidential purchases of butane and propane. Effective July 1, 2008.	(\$69,000,000)	(\$68,250,000)	(\$68,250,000)	(\$68,250,000)	(\$68,250,000)
Act 9 2nd. Ex. Session SB 7	Corrects error in Act 339 of 2007 Regular Session granting manufacturing status to newspaper publishing for purposes of the phase-out of state sales tax on machinery & equipment. Already accounted for official forecasts.  Also clarified that immediate 4% exemption granted to fuels and gases in HB 1 above applied to butane and propane. Effective upon governor's signature.	\$0	\$0	\$0	\$0	\$0
Act 12 2nd. Ex. Session SB 12	Shortens, by one year, the phase-out schedule currently granted to manufacturing machinery & equipment. Complete 100% exemption will occur in FY10 rather than FY11. Effective July 1, 2008.	\$0	(\$4,000,000)	\$0	\$0	\$0
<b>Corporate Income &amp; Franchise Tax</b>						
Act 10 2nd. Ex. Session SB 10	Shortens, by one year, the phase-out schedule currently granted to borrowed capital. Complete 100% exemption will occur with tax year 2001 (FY11) rather than tax year 2012 (FY12).	\$0	\$0	(\$26,000,000)	\$0	\$0
Act 4 2nd. Ex. Session HB 9	Grants another \$50 million of state tax credits for implementation of the state New Markets Tax Credit program. Credits are issued over a three year period, with a three year schedule of realizations allowed. Other program changes are also made.	(\$10,000,000)	(\$15,000,000)	(\$15,000,000)	(\$7,500,000)	(\$2,500,000)

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<b>Personal Income Tax</b>						
Act 8 2nd. Ex. Session SB 5	Provides tax deductions for nonpublic school tuition and certain home school expenses, as well as for required school uniforms, texts, curricula, instructional materials, and supplies purchased for both nonpublic and public school students. Effective for expenditures starting in 2009.	\$0	(\$23,338,000)	(\$24,500,000)	(\$25,700,000)	(\$27,000,000)
Act 5 2nd. Ex. Session HB 18	Holds harmless state individual income tax liabilities that would be increased by the federal income tax rebates provided under the federal Economic Stimulus Act of 2008. Greater state income tax receipts resulting from this extraordinary federal tax action have not been anticipated in the official revenue forecasts. Effective for tax years beginning in 2008.	\$0	\$0	\$0	\$0	\$0
<b>SGF Earnings</b>						
Act 2 2nd. Ex. Session HB 5	Authorizes state investment in debts of the Louisiana Stadium and Exposition District. Potential loss of general fund earnings to the extent existing investments are replaced with lowering yielding LSED instruments.	Potential Revenue Loss				
<b>Total Adjustments To Major State Tax, License And Fee Estimates</b>		<b>(\$79,000,000)</b>	<b>(\$110,588,000)</b>	<b>(\$133,750,000)</b>	<b>(\$101,450,000)</b>	<b>(\$97,750,000)</b>
<b>SESSION ACTIONS - DEDICATIONS</b>						
<b>Transportation Trust Fund / State Highway Improvement Fund</b>						
Act 11 2nd. Ex. Session SB 11	Phases in a dedication of the state sales tax on motor vehicles to the TTF over a 7-year period, starting with FY09 at 10%, then 20% in FY10, 30% in FY11, 50% in FY12, 75% in FY13, 85% in FY14, and 100% in FY15 and beyond. Dedications cease if revenue forecasts decline, and begin again once forecasts exceed their previous level.  Also accelerates the dedication of truck licenses into the SHIP, from 50% to 75 in FY09 and from 75% to 100% in FY10.	\$42,410,000	\$74,920,000	\$97,680,000	\$166,300,000	\$254,700,000
<b>Adjustments To Dedications of Major State Tax, License, and Fee Estimates</b>		<b>\$42,410,000</b>	<b>\$74,920,000</b>	<b>\$97,680,000</b>	<b>\$166,300,000</b>	<b>\$254,700,000</b>
<b>TOTAL ADJUSTMENTS TO OFFICIAL NET AVAILABLE STATE GENERAL FUND-DIRECT REVENUE FORECAST</b>		<b>(\$121,410,000)</b>	<b>(\$185,508,000)</b>	<b>(\$231,430,000)</b>	<b>(\$267,750,000)</b>	<b>(\$352,450,000)</b>

**Actions Affecting Major State Tax, License and Fee Estimates  
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**2008 Regular Session**

<b>Instrument</b>	<b>Description</b>	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>
<b>SESSION ACTIONS - REVENUE</b>							
<b>Sales Tax - General</b>							
Act 232 Regular Session SB 188	Extends the effectiveness of the LA Tax Free Shopping Program, a sales tax refund program for foreign visitors to the state, from July 1, 2009 until July 1, 2013.			(\$872,000)	(\$872,000)	(\$872,000)	(\$872,000)
Act 250 Regular Session HB 104	Dedicates the avails of 1.97% of state sales tax imposed on hotel/motel room rentals in Webster Parish to the Webster Parish Convention and Visitors Bureau. Effectively reduces collections available to the state general fund. Effective July 1, 2008.		(\$140,000)	(\$140,000)	(\$140,000)	(\$140,000)	(\$140,000)
Act 903 Regular Session HB 465	Authorizes creatio of a new tax increment financing district encompassing portions of the Jefferson Parish commercial corridors of Veterans Blvd., Causeway Blvd., and W. Esplanade Ave., including the Lakeside Shopping Center. TIFs dedicate revenue growth that is already anticipated in revenue forecasts, and effectively reduce those collections for use in the state budget. Effective upon governor's signature.		DECREASE	DECREASE	DECREASE	DECREASE	DECREASE
Act 914 Regular Session HB 401	Authorizes creation of a new tax increment financing district encompassing a material portion of New Orleans north of I-10 & I-610, between the London Avenue Canal and the Industrial Canal, commonly known as Gentilly. TIFs dedicate revenue growth that is already anticipated in revenue forecasts, and effectively reduce those collections for use in the state budget. Effective upon governor's signature.		DECREASE	DECREASE	DECREASE	DECREASE	DECREASE

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Instrument	Description	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
<b>Personal Income Tax</b>							
Act 396 Regular Session SB 87	Expands the 4% and 6% income tax brackets to the thresholds that existed prior to tax year 2003. The 2% bracket threshold is not affected. Withholding tables are not to be adjusted until after July 1, 2009. Effective for tax years beginning in 2009.			(\$359,000,000)	(\$251,000,000)	(\$262,000,000)	(\$273,000,000)
<b>Total Adjustments To Major State Tax, License And Fee Estimates</b>		<b>\$0</b>	<b>(\$140,000)</b>	<b>(\$360,012,000)</b>	<b>(\$252,012,000)</b>	<b>(\$263,012,000)</b>	<b>(\$274,012,000)</b>
<b>SESSION ACTIONS - DEDICATIONS</b>							
<b>Workforce Training Rapid Response Fund</b>							
Act 890 Regular Session HB 1018	Annually dedicates, at the beginning of each fiscal year, an amount sufficient to bring the unobligated fund balance to \$10 million. The first year, FY09, a full amount will necessarily be dedicated. In subsequent years the amount dedicated can be less than the full amount authorized, depending on what the unobligated fund balance is at the beginning of each fiscal year. Effective upon governor's signature.		\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000
<b>Legislative Capitol Technology Enhancement Fund</b>							
Act 513 Regular Session HB 926	Dedicates \$10 million per year to the newly created Legislative Capitol Technology Fund for audio-visual upgrades and technology enhancements in the Capitol Complex. Dedicates \$10 million of FY08 resources (effective upon governor's signature) and then \$10 million each year starting with July 1, 2009 (FY10 and beyond).	\$10,000,000	\$0	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000
<b>Adjustments To Dedications of Major State Tax, License, and Fee Estimates</b>		<b>\$10,000,000</b>	<b>\$10,000,000</b>	<b>\$20,000,000</b>	<b>\$20,000,000</b>	<b>\$20,000,000</b>	<b>\$20,000,000</b>
<b>TOTAL ADJUSTMENTS TO OFFICIAL NET AVAILABLE STATE GENERAL FUND-DIRECT REVENUE FORECAST</b>		<b>(\$10,000,000)</b>	<b>(\$10,140,000)</b>	<b>(\$380,012,000)</b>	<b>(\$272,012,000)</b>	<b>(\$283,012,000)</b>	<b>(\$294,012,000)</b>

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	<b>OTHER ITEMS OF INTEREST</b>						
	<b>Parish Severance Tax Allocation / Atchafalaya Basin Conservation Fund</b>						
Act 932 Regular Session HB 420	Increases the annual maximum severance tax allocation back to the parishes of severance by \$1 million effective July 1, 2009, and an additional \$1 million on July 1, 2010.			\$26,900,000	\$46,300,000	\$46,300,000	\$46,300,000
	Also dedicates 50% (up to \$10 million per year) of severance tax collections from state lands in the Atchafalaya Basin to the newly created Atchafalaya Basin Conservation Fund.			\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000
	To be submitted to the electors at the statewide election on November 4, 2008						
					If adopted by the electors, these additional tax dedications will reduce revenue available to the state general fund by the estimated amounts above.		