

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

2004 Regular Session

Instrument	Description	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
SESSION ACTIONS - REVENUE							
Corporate Income and Franchise Tax							
Act 899 Reg. Session HB 1674	Expands eligibility to the Quality Jobs Program by reducing the required employer share of health insurance premiums for firms with 50 or less employees from 70%-85% (50% family) to 50% (0% family). Program payroll subsidy payments would be available only for employees accepting the basic health plan offered, and annual benefits would be reduced by the number of employees not accepting the health plan multiplied by the average annual cost of individual insurance coverage as determined by the Department of Insurance. Effective for applications filed on or after July 1, 2004.		(\$46,000)	(\$160,000)	(\$365,000)	(\$582,000)	(\$811,000)
Miscellaneous Receipts - Fuel Inspection Fee							
Act 47 Reg. Session HB 478	Excludes from the fuel inspection fee (4/32 of 1¢ per gallon) special fuel sold for use in commercial ships, vessels, or barges of greater than 50 gross tons operating principally in foreign or interstate coastwise commerce. This will result in a relatively large but unknown decrease in fee collections. Imposes the fee on undyed diesel fuel used for nontaxable purposes when dyed diesel fuel is not available. This will result in a relatively small but unknown increase in fee collections. Net effect is a reduction in fee collections dedicated to the Petroleum Product Fund administered by the Department of Agriculture. Makes other changes to the inspection provisions.		(\$500,000)	(\$500,000)	(\$500,000)	(\$500,000)	(\$500,000)

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Various Agency Receipts							
Act 638 Reg. Session SB 363	Relieves the City of Baker School Board from paying the interest on the remaining debt owed to the State Department of Education from the Intergovernmental Loan Agreement between the school board and the State. The total obligation released shall not exceed \$76,170.		(\$44,583)	(\$7,617)	(\$7,617)	(\$7,617)	(\$7,617)
Unclaimed Property							
Act 839 Reg. Session HB 648	Provides that abandoned property distributable via a demutualization, rehabilitation, or related reorganization of an insurance company shall be remitted to the treasury 2 years after the event (rather than 5 years after the event). Relatively large one-time "catch-up" remittances could occur in FY05 (possibly \$21 million), with much smaller accelerated remittances in FY06 (\$2.1 million) and FY07 (\$1 million). However, these estimates embody a large degree of uncertainty.		INCREASE	INCREASE	INCREASE	INCREASE	INCREASE
Excise License Tax							
Act 770 Reg. Session HB 797	Mandates a 25% premium reduction for automobile liability coverage purchased by active military personnel based in the state. Grants a rebate to insurers equivalent to the premium discounts provided. 50% implementation authorized beginning July 1, 2005 with full implementation effective July 1, 2006. Makes other changes to the definition of unfair discrimination.			(\$800,000)	(\$1,600,000)	(\$1,600,000)	(\$1,600,000)
Total Adjustments To Major State Tax, License And Fee Estimates		\$0	(\$590,583)	(\$1,467,617)	(\$2,472,617)	(\$2,689,617)	(\$2,918,617)

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2004 Regular Session

Instrument	Description	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
SESSION ACTIONS - DEDICATIONS							
Petroleum Product Fund							
Act 47 Reg. Session HB 478	<p>Excludes from the fuel inspection fee (4/32 of 1¢ per gallon) special fuel sold for use in commercial ships, vessels, or barges of greater than 50 gross tons operating principally in foreign or interstate coastwise commerce. This will result in a relatively large but unknown decrease in fee collections.</p> <p>Imposes the fee on undyed diesel fuel used for nontaxable purposes when dyed diesel fuel is not available. This will result in a relatively small but unknown increase in fee collections.</p> <p>Net effect is a reduction in fee collections dedicated to the Petroleum Product Fund administered by the Department of Agriculture.</p> <p>Makes other changes to the inspection provisions.</p>		(\$500,000)	(\$500,000)	(\$500,000)	(\$500,000)	(\$500,000)
Department of Justice Legal Support Fund							
Act 586 Reg. Session HB 671	A new dedicated fund is created to receive monies recovered by the attorney general on behalf of the state (most of these monies are typically related to mineral revenue disputes). Reoveries pertaining to a number of specific agencies are excepted. An annual allocation is required to be made to the new fund to bring its balance to \$500,000. The Department of Justice shall use the monies for expert witnesses, consultants, contract legal counsel, technology, specialized employee training and education, and public education initiatives. Effective upon governor's signature.		\$500,000	\$500,000	\$500,000	\$500,000	\$500,000
Adjustments To Dedications of Major State Tax, License, and Fee Estimates		\$0	\$0	\$0	\$0	\$0	\$0
TOTAL ADJUSTMENTS TO OFFICIAL NET AVAILABLE STATE GENERAL FUND-DIRECT REVENUE FORECAST		\$0	(\$590,583)	(\$1,467,617)	(\$2,472,617)	(\$2,689,617)	(\$2,918,617)

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	OTHER ITEMS OF INTEREST						
	Various Special Fund Transfers and LEDC Loan to Super Dome						
Act 585 Reg. Session HB 619	<p>2004 <u>Overcollections Fund</u> created to receive up to \$3.2 million of self-generated revenue collected by the Office of Financial Institutions in excess of the amount incorporated into the FY04 official revenue estimate of May 14, 2004. These monies are to be appropriated for nonrecurring purposes in FY05.</p> <p><u>LA Economic Development Fund transfer</u> of \$2 million to the State General Fund to be used in FY05.</p> <p><u>LA Fire Marshal Fund transfer</u> of \$719,545, attributable to FY04, to the State General Fund to be used in FY05.</p> <p><u>FY04 fund balance transfers to the LA Medical Assistance Trust Fund</u> to support the FY05 Medical Vendor Payment Program: (1) Fraud Detection Fund: \$3.1 million, (2) Incentive Fund: \$3.220 million, (3) Mineral Resources Operation Fund: \$2 million, (4) Insurance Fraud Investigation Fund, \$2,142,515</p> <p><u>LEDC loan to Super Dome</u>: The LA Economic Development Corporation is directed to loan up to \$7.5 million of FY05 LEDC Fund monies to the LA Stadium and Exposition District to fulfill its annual obligation to the New Orleans Saints. The loan is for a period up to 8 years, and is to be repaid from District revenues that exceed the FY05 amount plus a growth factor equal to the CPI increase.</p> <p>The bill also allows the Tax Commission Expense Fund to retain all of its unused balances, beginning in FY05, rather than balances up to \$150,000 (\$68,000 will be transferred to the State General Fund for FY04). In addition, Higher Education Initiatives Fund balances were made available to all higher education institutions rather than just the Board of Regents.</p>		\$3,200,000				
			\$2,000,000				
			\$719,545				
			\$3,100,000				
			\$3,220,000				
			\$2,000,000				
			\$2,142,515				