

Task Force on Structural Changes in Budget and Tax Policy

Meeting Minutes

March 24, 2016

I. Call to order

The meeting of the Task Force on Structural Changes in Budget and Tax Policy at 9:10a.m. on March 24, 2016 at the Louisiana Department of Revenue LaSalle Building, 617 North Third Street, Baton Rouge, LA 70802, Mardi Gras Room.

II. Roll call

A) The following Task Force Members were confirmed as present:

- Dr. James A. Richardson
- Kimberly L. Robinson
- William C. Potter
- V. Thomas Clark, Jr.
- Jay Dardenne
- Dr. James Alm
- Dr. Steven M. Sheffrin
- Jason DeCuir
- Sean Reilly
- Robert Travis Scott
- Barry Erwin
- Randy Roach
- Louis Reine

B) Approval of minutes from the meeting on March 18, 2016 was deferred to next meeting

C) Approval of Agenda:

The agenda was unanimously approved as distributed.

III. Agenda Topics

A) Discussion and Adoption of Mission Statement:

To review the current structure and design of the state budget together with state tax policies as modified by the provisions adopted by the Legislature in the 2016 Special Session and make recommendations to the Governor and Legislature by September 1, 2016 as to ways to: 1) continue to improve and “modernize” the state's tax laws; 2) enhance the efficiency and fairness of the those laws for the benefit of both individuals and businesses; 3) generate cost

savings through more efficient and effective state operations; and 4) make long-term reforms in the state budgeting process in an effort to make the state a model for fiscal policy and operational efficiency.

B) Budgeting Practices:

1. Presentation by Dr. Richardson on Budgeting Practices
2. Presentation by House Staff pm Current Budget Process

After a discussion on the presentations, there was consensus that the best practices that are used by other states need to be reviewed to determine if those practices would benefit Louisiana. Processes and forecasting procedures that are not proving to be beneficial need to be identified and eliminated. Budgeting is an ongoing process and ultimately needs to be used to make better decisions based on what the program will do for the state.

C) Tax Structure Overview:

An overview of the tax structure past and present was given by Secretary Robinson with emphasis on the following:

- The Stelly Plan
- Tax Exemptions
- Excise Taxes
- 2015 Regular Session Legislative Changes
- 2016 Special Session Legislative Changes

IV. New Business

A) Creation of Tax Institute:

Discussion of the need for a Tax Institute to make changes to tax laws. Proposed Institute would consist of tax experts who would review bills before they are presented to the Legislature for consideration.

V. Possible Agenda Items for Future Meetings

- LABI Revenue Forecasting Presentation
- Quality Jobs and Competitive Projects Incentives Programs
- Solar and Motion Picture Tax Credits
- Research on TOPS vs. Federal Tuition Tax Credit
- Framework discussion on where money will come from in new tax structure
- Corporate Income Tax Constitutional Amendment on November 2016 ballot

- Distributional Impact of any Proposed Revenue Measure

VI. Adjournment

Dr. James A. Richardson adjourned the meeting at 11:52 a.m.

Minutes submitted by: Marisha Patterson