

NOTICE OF INTENT

Department of Revenue Policy Services Division

Individual Income Tax Filing Extensions (LAC 61:III.2501)

Under the authority of R.S. 47:1511, 1514, 103(D), and in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq., the Department of Revenue, Policy Services Division, proposes to amend LAC 61:III.2501 to mandate the electronic filing of a request for an extension to file an individual income tax return.

The Secretary of Revenue is authorized, but not required, to grant a reasonable extension of time to file a Louisiana individual income tax return. Beginning with returns due on or after May 15, 2013, individuals needing additional time to file their income tax returns must electronically request an extension of time to file on or before the return due date. Individual income tax returns for 2012 will be due May 15, 2013.

Title 61

REVENUE AND TAXATION

Part III. Administrative Provisions and Miscellaneous Chapter 25. Returns

§2501. Individual Income Tax Filing Extensions

A. Louisiana Revised Statute Title 47, Section 103(D) provides that the secretary may grant a reasonable extension of time to file a state individual income tax return, not to exceed six months from the date the return is due.

1. To obtain a filing extension, the taxpayer must make the request on or before the tax return's due date.

2. A taxpayer must request a state filing extension by submitting an electronic application.

3. An electronic application may be submitted via:

- a. the Department of Revenue's web site at www.revenue.louisiana.gov/extensions;
- b. tax preparation software; or
- c. any other electronic method authorized by the secretary.

B. Filing Extension Does Not Extend Time to Pay Tax

1. A filing extension granted by the secretary only allows for an extension of time to file the tax return. The extension does not allow an extension of time to pay the tax due.

2. To avoid interest and penalty assessments, estimated taxes due must be paid on or before the original due date.

C. The secretary may waive the electronic filing of an extension if it is determined that complying with the requirement would cause an undue hardship.

AUTHORITY NOTE: Promulgated in accordance with R.S. 47:1511 and 287.614(D).

HISTORICAL NOTE: Promulgated by the Department of Revenue, Policy Services Division, LR 35:1137 (June 2009), amended LR 36:73 (January 2010), LR 39:

Family Impact Statement

The proposed amendment of LAC 61:III.2501, regarding individual income tax filing extensions, should not have any known or foreseeable impact on any family as defined by R.S. 49:972(D) or on family formation, stability and

autonomy. Specifically, the implementation of this proposed Rule will have no known or foreseeable effect on:

1. the stability of the family;
2. the authority and rights of parents regarding the education and supervision of their children;
3. the functioning of the family;
4. family earnings and family budget;
5. the behavior and personal responsibility of children;
6. the ability of the family or a local government to perform this function.

Public Comments

Any interested person may submit written data, views, arguments, or comments regarding this proposed Rule to Nina Hunter, Attorney, Policy Services Division, Office of Legal Affairs by mail to P.O. Box 44098, Baton Rouge, LA 70804-4098. All comments must be received no later than 5:00 p.m., Wednesday, November 28, 2012.

Public Hearing

A public hearing will be held on Thursday, November 29, 2012, at 2:00 p.m. in the River Room, on the seventh floor of the LaSalle Building, 617 North Third Street, Baton Rouge, Louisiana.

Tim Barfield

Executive Counsel

FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES RULE TITLE: Individual Income Tax Filing Extensions

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)

The proposed amendment to this Rule mandates the electronic filing of requests for extensions to file individual income tax returns for Tax Year 2012 and beyond. The electronic application already exists and there are no anticipated costs for implementation. The adoption of this amendment will allow the reallocation of resources being used to process paper extension requests to other tax processing functions.

Implementation of the proposed amendment to this Rule is expected to reduce the need for manual processing of paper extension requests which would allow the reallocation of resources to other areas necessary to fulfill the department's mission.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

An electronic filing mandate for extensions to file individual income tax returns will not alter the amount of tax due or collected, therefore it will have no effect on revenue collections of state or local governmental units. Extension requests are currently accepted by paper or electronically.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

For the 2011 tax year, the last year in which state individual income tax returns were filed, approximately 121,000 extensions were filed, of which approximately 76,400 or 63 percent were filed on paper and 44,600 or 37 percent were filed electronically. This proposed Rule limits the filing of extensions for individual state income tax returns to electronic means. Because many taxpayers already file extension requests electronically, and requests can be filed through the Louisiana Department of Revenue (LDR) web site for free, the cost to affected taxpayers is anticipated to be minimal. Also, taxpayers can obtain internet access to electronically file extensions at

LDR offices and public libraries throughout the state. Taxpayers who file an extension through electronic means receive a notification of receipt which is an added benefit that paper filers did not receive. Those taxpayers unable to file electronically due to an undue hardship may have the electronic filing requirement waived by the secretary.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT
(Summary)

The proposed amendment to this Rule should not affect competition or employment.

Tim Barfield
Executive Counsel
1210#111

Gregory V. Albrecht
Chief Economist
Legislative Fiscal Office