

NOTICE OF INTENT

Department of Revenue Policy Services Division

Filing Extensions for Partnerships Filing Composite Returns (LAC 61:III.2505)

Under the authority of R.S. 47:1511, 1514, 201.1, 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 enact LAC 61:III.2505, to mandate the electronic filing of a request for an extension to file composite return for nonresident partners or members.

The secretary of revenue is authorized, but not required, to grant a reasonable extension of time to file a composite return. Current law provides that the composite return be submitted electronically. Beginning with returns due on or after May 15, 2014, partnerships needing additional time to file a composite return must electronically submit a request for an extension of time to file on or before the return due date.

Title 61

REVENUE AND TAXATION

Part III. Administrative Provisions and Miscellaneous Chapter 25. Returns

§2505. Filing Extensions for Partnerships filing Composite Returns

A. Revised Statute Title 47, Section 1514 provides that the secretary may grant a reasonable extension file any tax return due under this subtitle, not to exceed six months, from the date the return is due.

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

2. A partnerships 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, income taxes due must be prepaid on or before the original due date.

AUTHORITY NOTE: Promulgated in accordance with R.S. 47:1511 and 47:1514.

HISTORICAL NOTE: Promulgated by the Department of Revenue, Policy Services Division, LR 40:

Family Impact Statement

This Family Impact Statement is provided as required by Act 1183 of the 1999 Regular Session of the Louisiana Legislature.

1. Implementation of this proposed Rule will have no effect on the stability of the family.

2. Implementation of this proposed Rule will have no effect on the authority and rights of parents regarding the education and supervision of their children.

3. Implementation of this proposed Rule will have no effect on the functioning of the family.

4. Implementation of this proposed Rule will have no effect on the behavior and personal responsibility of children.

5. Implementation of this proposed Rule will have no effect on the ability of the family or a local government to perform this function.

Poverty Impact Statement

The proposed amendment will have no impact on poverty as described in R.S. 49:973.

Public Comments

Interested person may submit written data, views, arguments, or comments regarding this proposed Rule to the Policy Services Division by mail to P.O. Box 44098, Baton Rouge, LA 70804-4098 or by fax to (225) 219-2759. All comments must be received no later than 5 p.m., January 28, 2014.

Public Hearing

A public hearing will be held on January 29, 2014, at 11 a.m. in the river room on the seventh floor of the LaSalle Building, 617 North Third Street, Baton Rouge, LA 70802.

Tim Barfield
Secretary

FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES

RULE TITLE: Filing Extensions for Partnerships Filing Composite Returns

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

Implementation costs of this Rule are approximately \$18,000 for computer programming and design. Implementation costs are being absorbed in the existing budget. Local governmental units are not affected by this proposal.

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

This proposal requires that requests for extensions to file composite partnership tax returns be filed electronically. It has no effect on the amount of tax due or collected. This proposal should have no impact on the revenue collections of state or local governmental units.

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

Partnerships that file composite partnership tax returns are affected by this proposal. It is not expected that these partnerships will experience any substantial costs or benefits from this proposal. The composite partnership tax returns are already required to be filed electronically. Partnerships with access to the internet will be able to file extension requests through LDR's website. Extension requests through tax preparation software will also be available.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

No effect on competition or employment is expected as a result of this proposal.

Tim Barfield
Secretary
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