

NOTICE OF INTENT

Department of Revenue Policy Services Division

Suspension, Revocation, or Denial of Hunting and Fishing Licenses (LAC 61:I.1351)

Under the authority of R.S. 47:296.3 and 1511 and in accordance with the provisions of the Administrative Procedures Act, R.S. 49:950 et seq., the Department of Revenue, Policy Services Division, proposes to adopt LAC 61:I.1351 pertaining to the suspension, revocation, or denial of the issuance of hunting and fishing licenses for failure to pay individual income tax.

Revised Statute 47:296.3, entitled "Suspension, Revocation, or Denial of Hunting and Fishing Licenses," provides a mechanism for suspending, revoking, and denying the issuance of a taxpayer's hunting and fishing licenses if the Department of Revenue has a final and nonappealable assessment or judgment against an individual in excess of \$500. This proposed regulation provides the procedures necessary to administer the provisions of this statute.

Title 61

REVENUE AND TAXATION

Part I. Taxes Collected and Administered by the Secretary of Revenue

Chapter 13. Income: Individual

§1351. Suspension, Revocation, and Denial of Hunting and Fishing Licenses

A. An individual's hunting and fishing licenses will be suspended, revoked, or denied if the Department of Revenue has a final and nonappealable individual income tax assessment or judgment against the individual in excess of \$500 exclusive of penalty, interest, costs, and other charges.

B. Exceptions

1. If the taxpayer has filed for bankruptcy, then the provisions of this regulation will not apply.

2. An assessment or judgment will not be considered final and nonappealable for purposes of this regulation if, for the applicable tax period:

- a. the taxpayer is in litigation with the department;
- b. the taxpayer is being audited by the department;

or

- c. correspondence is pending.

C. Responsibilities

1. The Department of Revenue is responsible for the following:

- a. properly identifying the affected taxpayer;
- b. accurately notifying the Department of Wildlife and Fisheries of the taxpayer's identity; and
- c. timely notifying the Department of Wildlife and Fisheries if the taxpayer pays the assessment or judgment and regains eligibility for a hunting or fishing license.

2. The Department of Wildlife and Fisheries is responsible for the following:

- a. suspending, revoking or denying hunting and fishing licenses once notified of a taxpayer's identity by the Department of Revenue; and
- b. issuing or re-issuing hunting and fishing licenses to taxpayers who have paid their tax debts once notified of this fact by the Department of Revenue.

D. Taxpayer Notification

1. Before the notice of hunting and fishing licenses suspension, revocation, or denial is sent to the Department of Wildlife and Fisheries, the taxpayer will be mailed written notice.

2. The notice will inform the taxpayer that his hunting and fishing licenses will be suspended, revoked, or issuance denied until full payment of the final and nonappealable assessment or judgment is made or until the taxpayer enters into an installment agreement with the Department of Revenue.

3. The notice will be mailed to the address on record and it will be presumed that the taxpayer has received the notice if it is not returned as "Undeliverable."

4. If a taxpayer defaults on a department authorized installment payment plan, no further notice of suspension, revocation, or denial of the issuance of the taxpayer's hunting and fishing licenses will be required.

E. Notification to the Department of Wildlife and Fisheries

1. The Department of Revenue will notify the Department of Wildlife and Fisheries of the name, social security number, and address of the taxpayer for whom the hunting and fishing licenses are required to be suspended, revoked, or issuance denied.

2. The suspension and revocation will remain in effect until the Department of Wildlife and Fisheries is notified otherwise by the Department of Revenue.

3. The Department of Revenue will notify the Department of Wildlife and Fisheries of the name, social security number, and address of the taxpayer for whom the hunting and fishing licenses are to be issued or re-issued.

4. Notifications may be by secured electronic transmission or by magnetic tapes, cartridges, or other electronic media.

5. Notifications will be made weekly unless circumstances warrant a more frequent time schedule, such as the circumstances described in Subsection E.

F. If the taxpayer pays the assessment or judgment in person, notice will be given to the Department of Wildlife and Fisheries to remove the suspension, revocation, or denial of the taxpayer's hunting and fishing licenses from their records. Notice to the Department of Wildlife and Fisheries will be effected as follows:

1. Department of Revenue personnel may fax a clearance to the Department of Wildlife and Fisheries indicating that the assessment or judgment has been paid; or

2. a letter from the secretary or the secretary's designee indicating that the assessment or judgment has been paid may be issued to the taxpayer for presentation to the Department of Wildlife and Fisheries.

AUTHORITY NOTE: Promulgated in accordance with R.S. 47:296.3 and 1511.

HISTORICAL NOTE: Promulgated by the Department of Revenue, Policy Services Division, LR 30:

Family Impact Statement

As required by Act 1183 of the 1999 Regular Session of the Louisiana Legislature the following Family Impact Statement is submitted to be published with the notice of intent in the Louisiana Register. A copy of this statement will also be provided to our legislative oversight committees.

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

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

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

4. The effect on family earnings and family budget. Implementation of this proposed amendment will have no effect on family earnings and family budget.

5. The effect on the behavior and personal responsibility of children. Implementation of this proposed amendment will have no effect on the behavior and personal responsibility of children.

6. The ability of the family or a local government to perform the function as contained in the proposed Rule. Implementation of this proposed amendment will have no effect on the ability of the family or a local government to perform this function.

Interested persons may submit data, views, or arguments, in writing to Jennifer Davis, Policy Services Division, Department of Revenue, P.O. Box 44098, Baton Rouge, LA 70804-4098 or by fax to (225) 219-2759. All comments must be submitted by 4:30 p.m., Tuesday, March 29, 2004. A public hearing will be held on Wednesday, March 30, 2004, at 11 a.m. in the River Room Conference Room on the 7th Floor of the LaSalle Building at 617 North Third Street, Baton Rouge, LA 70802-5428.

Cynthia Bridges
Secretary

**FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES
RULE TITLE: Suspension, Revocation, or Denial of
Hunting and Fishing Licenses**

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

Acts 2003, No. 380 enacted R.S. 47:296.3, entitled "Suspension, revocation, or denial of hunting and fishing licenses," to provide a mechanism for suspending, revoking, and denying the issuance of a taxpayer's hunting and fishing licenses if the Department of Revenue has a final and nonappealable assessment or judgment against an individual in excess of \$500. This proposed regulation provides the procedures necessary to administer the provisions of the statute.

Implementation of this proposed regulation will result in first-year computer programming costs for the Department of Revenue and the Department of Wildlife and Fisheries of \$35,000 and \$2,000, respectively. Succeeding years' costs for both agencies should be negligible.

There will be no implementation costs for local governmental units.

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

This proposed regulation may result in an indeterminable increase in state general funds due to the payment of delinquent tax collections and an indeterminable decrease in revenues to the Conservation Fund due to the denial of licenses.

According to Department of Revenue records, there are 57,000 taxpayers that would be denied hunting and fishing licenses for tax debts of \$204 million. However, it is not known how many of the tax delinquents will seek hunting or fishing

licenses or if the denial of these licenses will motivate taxpayers to pay the delinquent taxes owed.

The reduction of revenues to the Conservation Fund due to the denial of hunting and fishing licenses cannot be determined. According to the Department of Wildlife and Fisheries, 8.3 percent of Louisiana residents purchase hunting licenses at a cost of \$15 to \$61; 22 percent of Louisiana residents purchase basic or saltwater fishing licenses at a cost of \$9.50 or \$15, respectively; and 0.4 percent of Louisiana residents purchase commercial fishing licenses at a cost of \$55. If all of the tax debtors elected to forego their hunting and fishing licenses rather than pay their tax debts, revenues to the Conservation Fund would be reduced by an unknown amount.

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

This proposed regulation allows for suspending, revoking, and denying the issuance of a taxpayer's hunting and fishing licenses if the Department of Revenue has a final and nonappealable assessment or judgment against an individual in excess of \$500. These tax debtors will be directly affected by this regulation. There will be no economic benefit to the affected tax debtors but their costs may increase to the extent that they will be required to pay their debts before a hunting or fishing license can be reinstated or issued.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

This proposed regulation will have no effect on competition or employment.

Cynthia Bridges
Secretary
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Robert E. Hosse
General Government Section Director
Legislative Fiscal Office