



# NEWS RELEASE

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## LOUISIANA HOUSE OF REPRESENTATIVES

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### **House Speaker Chuck Kleckley calls for independent study of tax structure**

**BATON ROUGE** - The Speaker of the House, Chuck Kleckley, (R-Lake Charles), has called for an independent study to closely examine Louisiana's tax structure, including all tax exemptions, deductions, credits, and rebates. It has been more than 25 years since the last major analysis of the state's tax make-up.

Louisiana has been faced with a significant shift in the sources of state taxes during the last 20 years. In fact, oil, gas and mineral taxes, which once equaled approximately 40-percent of Louisiana's tax revenue, have shrunk to only 15 percent, while sales and income tax have grown to 60 percent of the tax revenue.

In calling for this study, Speaker Chuck Kleckley said, "A stable, easily understood, and sufficient tax system is long over-due in the state of Louisiana. Once we closely examine our current tax structure, we'll know how to better compete for business, fund the needs of our citizens, and fund the services that are consistent with growth and prosperity."

Chairman of the House Ways & Means Committee, Joel Robideaux, (R-Lafayette), voiced his support of the study saying, "I want to thank Speaker Kleckley for his initiative in proposing an updated, independent tax study. This is a logical next step in evaluating tax policy, building on the work of the Revenue Study Commission."

Legislative leaders are working with Dr. Jim Richardson to assemble an independent panel of expert tax specialists to analyze Louisiana's tax structure, with a keen eye toward changes that have been made over the last 25 years, including the exemptions, deductions, credits, and rebates that have been put in place during the last few decades. Dr. Richardson, a noted tax, public finance, and economics expert, is the Director of the Public Administration Institute and Professor of Economics at the Department of Economics in the E. J. College of Business at Louisiana State University. Dr. Richardson will be joined by Dr. Steven Sheffrin, the Director of the Murphy Institute at Tulane University, and Dr. James Alm, the Chairman of the Department of Economics at Tulane University.

“Each exemption, deduction, credit, and rebate was enacted for a particular purpose,” said Kleckley, “It’s time to re-examine the reasons for the exemptions in light of our current and predictable future sources of revenue. It is time to work on a modern tax structure that works for all of the citizens and businesses of Louisiana.”

Richardson, who coordinated the last tax study conducted in the 1980s said, “Ultimately, any tax structure represents what the people of the state find acceptable. However, the tax study will give our state officials and citizens information about the ingredients of a tax structure that is fair, competitive, stable, and simple. We are all looking forward to working on this project.”

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