

Representative Phillip DeVillier
Chairman



Representative Beau Beaulieu
Vice Chairman

Ways and Means Subcommittee on State Tax Structure

Major State Taxes

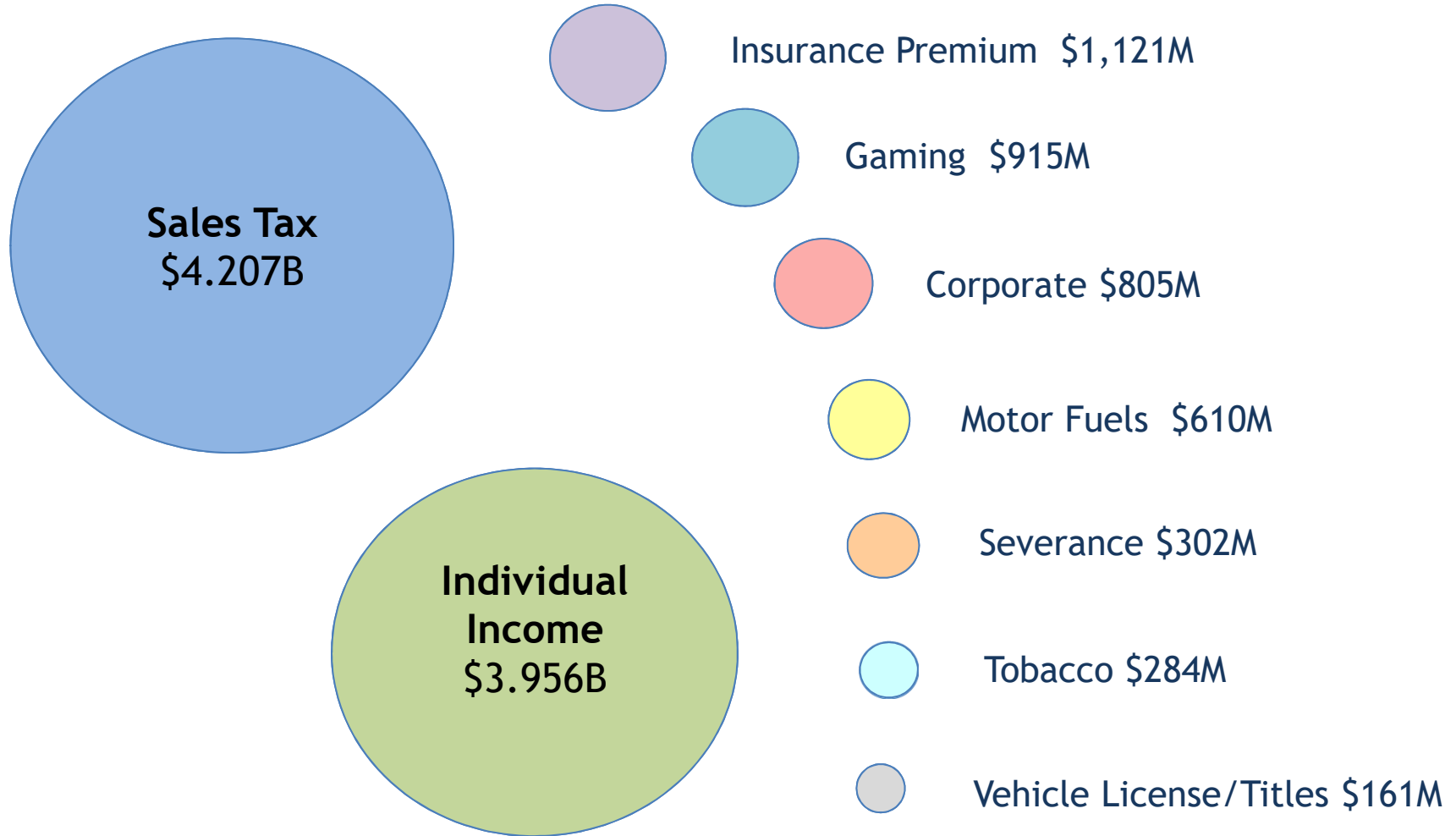
Prepared by the House Fiscal Division

October 12, 2022

MAJOR STATE TAXES

- Louisiana's major revenue sources include revenue from the collection of the following taxes:
 - Individual Income Taxes (PIT)
 - Corporate Income Taxes (CIT)
 - Corporate Franchise Taxes (CFT)
 - Insurance Premium Taxes
 - Sales and Use Taxes
 - Severance Taxes - Oil and Gas and Other Minerals
 - Petroleum Products - Gas Taxes
 - Gaming
- Other taxes include:
 - Tobacco Taxes - Cigarettes, Cigars, Smoking Tobacco, Smokeless Tobacco, and Vapors
 - Alcohol Taxes - Beer, Liquor, Sparkling Wines, Still Wines, and Malt Beverages

STATE REVENUES FOR FISCAL YEAR 2021



Individual Income Tax

STELLY PLAN OVERVIEW

- **Individual Income Tax Component**
 - Compressed income tax brackets
 - Rates were not changed
 - Eliminated the Excess Federal Itemized Personal Deduction
- **Sales Tax Component**
 - Added sales tax exemptions in the State Constitution for:
 - Food for home consumption
 - Residential utilities
 - Prescription drugs

STELLY PLAN - INDIVIDUAL INCOME TAX

Rates and Brackets <i>Before</i> adoption of the Stelly Plan		
Single	2%	On the first \$10,000
	4%	On the next \$40,000
	6%	On net income above \$50,000



Rates and Brackets Adopted <i>Under</i> the Stelly Plan (2003)		
Single	2%	On the first \$12,500
	4%	On the next \$12,500
	6%	On net income above \$25,000

**DID NOT REVERT
TO PRE-STELLY
BRACKET**

Current Rates and Brackets (Act No. 396 of 2008 R.S.)		
Single	2%	On the first \$12,500
	4%	On the next \$37,500
	6%	On net income above \$50,000



NOTE: Brackets are doubled if taxpayer files jointly

INDIVIDUAL INCOME TAXES

Individual Income Tax Changes Adopted During the 2021 Regular Session - Act No. 395 (HB No. 278)

PIT Rates beginning Jan. 1, 2022		
Single	1.85%	On the first \$12,500 of net income
	3.5%	On the next \$37,500 of net income
	4.25%	On net income in excess of \$50,000

Includes elimination of FIT for individuals and estates and trusts and limits the excess federal itemized personal deduction to medical expenses

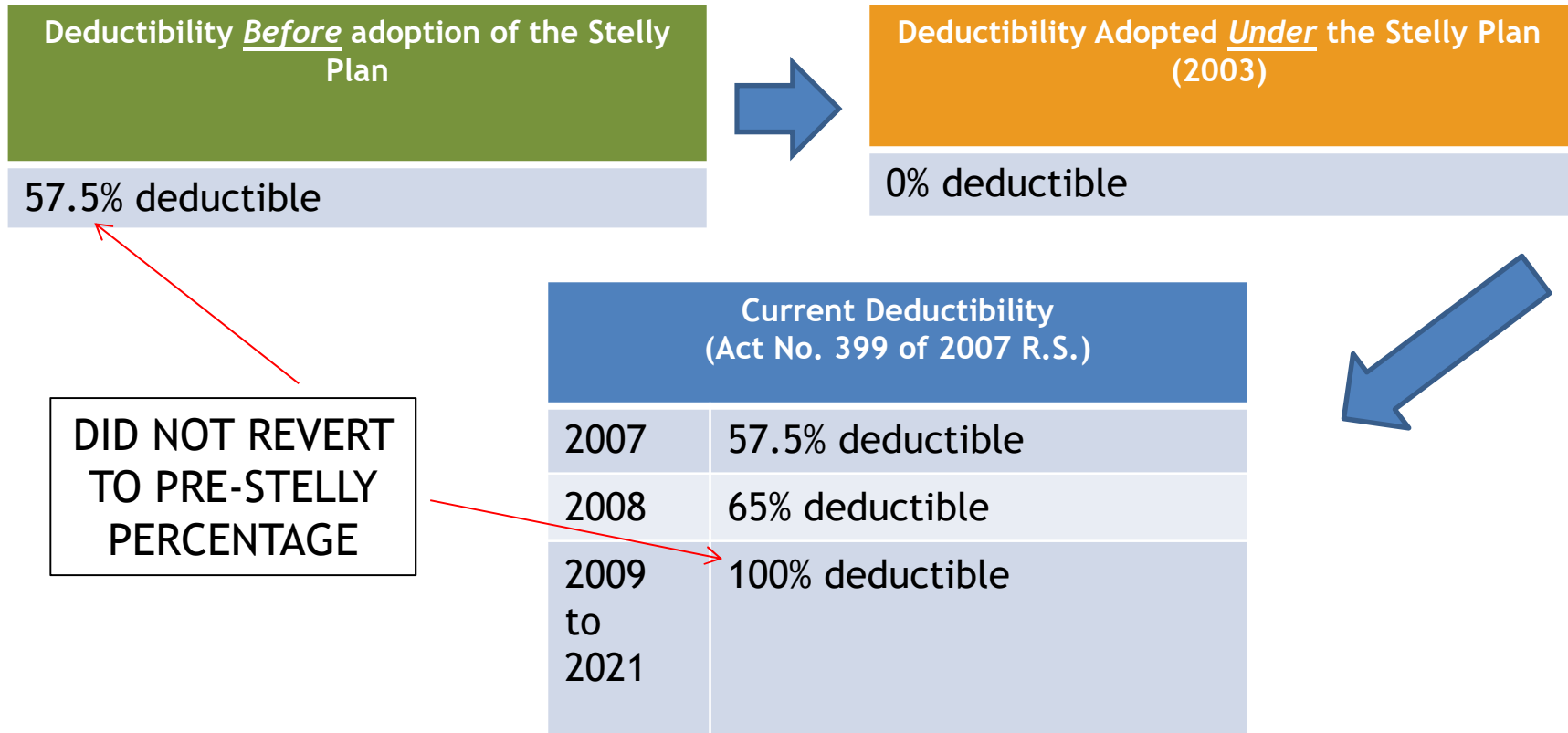
Includes a trigger mechanism beginning April 1, 2024, through 2034 for further rate reductions if certain PIT income thresholds are met

Effective Jan. 1, 2022, after adoption of the statewide constitutional amendment of Oct. 1, 2021 by the voters of Louisiana and passage of HB No. 292 and SB 161 from the 2021 R.S. of the Legislature

NOTE: Brackets are doubled if taxpayer files jointly

STELLY PLAN - INDIVIDUAL INCOME TAX

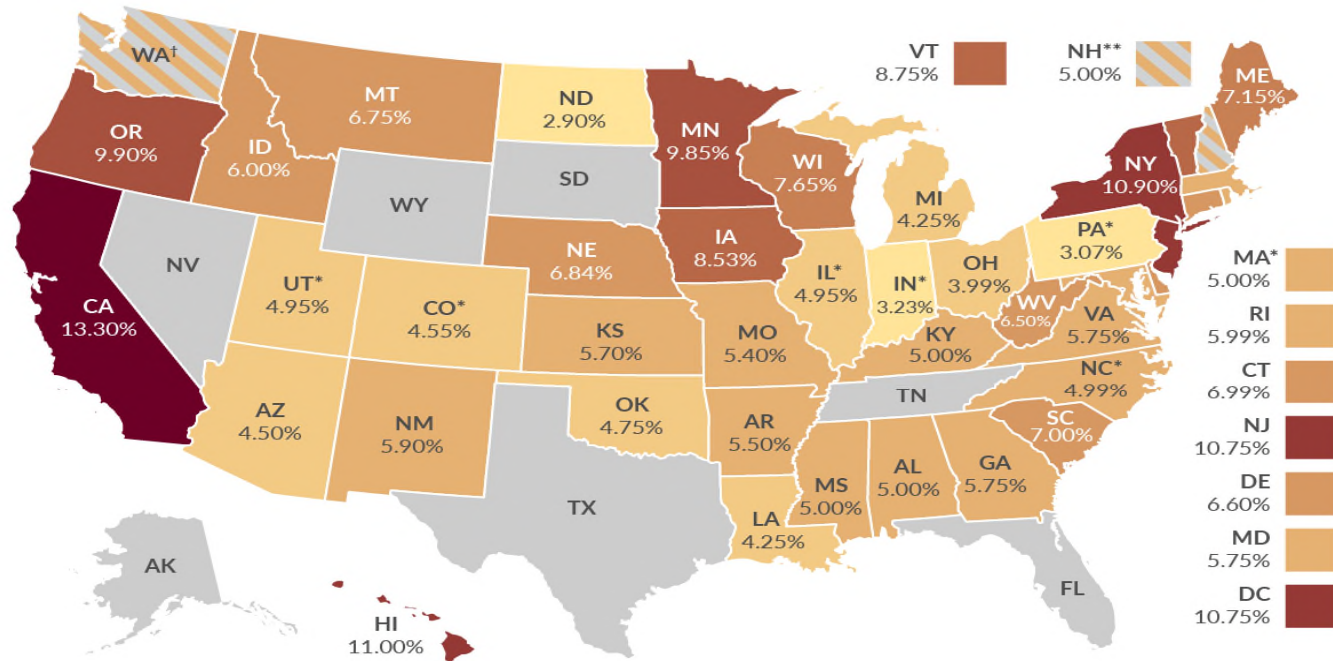
Excess Itemized Personal Deductions



INDIVIDUAL INCOME TAX MAP

How High Are Individual Income Tax Rates in Your State?

Top Marginal State Individual Income Tax Rates (as of January 1, 2022)



Note: Map shows top marginal rates: the maximum statutory rate in each state. This map does not show effective marginal tax rates, which would include the effects of phase-outs of various tax preferences. Local income taxes are not included. Missouri's top marginal rate will be reduced to 5.3% if certain revenue triggers are met.

(*) State has a flat income tax.

(**) State only taxes interest and dividends income.

(†) State only taxes capital gains income.

Sources: Tax Foundation; state tax statutes, forms, and instructions; Bloomberg Tax.

Top State Marginal Individual Income Tax Rates



Corporate Income Tax

CORPORATE INCOME TAX BASICS

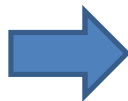
- Levied on the Louisiana taxable income of corporations
 - “Louisiana taxable income” is net income earned within or derived from sources within the state, after adjustments, less federal income tax deductions
- FY 21 actual collections - \$805M*
- FY 22 projected collections - \$897M*
- FY 23 projected collections - 650M*

** These figures include corporate franchise tax collections*

CORPORATE INCOME TAX BASICS

Corporate Income Tax Changes Adopted During the 2021 Regular Session - Act No. 396 (HB No. 292)

CIT Rates and Brackets prior to Jan. 1, 2022	
4%	First \$25,000 of La. taxable income
5%	On La. taxable income above \$25,000 but not more than \$50,000
6%	On La. taxable income above \$50,000 but not more than \$100,000
7%	On La. taxable income above \$100,000 but not more than \$200,000
8%	On La. taxable income in excess of \$200,000



CIT Rates and Brackets beginning Jan. 1, 2022	
3.5%	First \$50,000 of La. taxable income
5.5%	On La. taxable income above \$50,000 but not more than \$150,000
7.5%	On La. taxable income in excess of \$150,000

Includes elimination of FIT for corporate filers

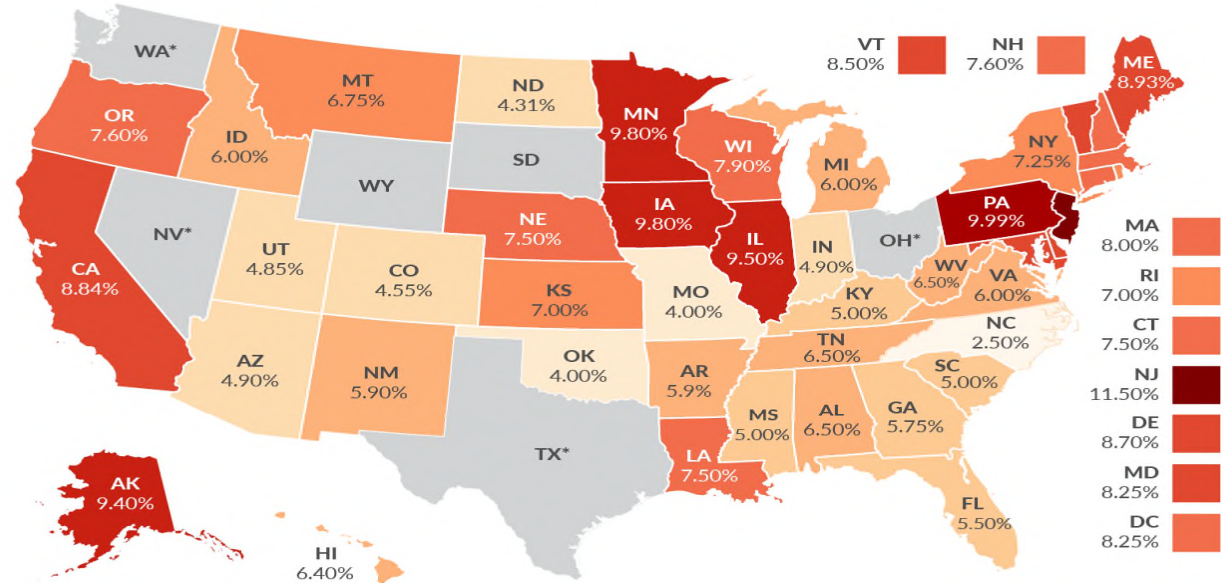
Changes the income tax rates for S corps (flow-through entities) that elect to be taxed as C corps to the PIT rates of 1.85%; 3.5%; and 4.25%

Effective Jan. 1, 2022, after adoption of the statewide constitutional amendment on Oct. 1, 2021, by the voters of Louisiana and passage of HB No. 278 and SB 161 from the 2021 R.S. of the Legislature

CORPORATE INCOME TAX MAP

How High are Corporate Income Tax Rates in Your State?

Top State Marginal Corporate Income Tax Rates as of July 1, 2022



Note: In addition to regular income taxes, many states impose other taxes on corporations such as gross receipts taxes and franchise taxes. Some states also impose an alternative minimum tax and special rates on financial institutions.

*Nevada, Ohio, Texas, and Washington do not have a corporate income tax but do have a gross receipts tax with rates not strictly comparable to corporate income tax rates. Delaware and Oregon have gross receipts taxes in addition to corporate income taxes, as do several states like Pennsylvania, Virginia, and West Virginia, which permit gross receipts taxes at the local (but not state) level.

Connecticut charges a 10% surtax on a business's tax liability if it has gross proceeds of \$100 million or more, or if it files as part of a combined unitary group. This surtax was recently extended and is scheduled to expire on January 1, 2023.

Illinois' rate includes two separate corporate income taxes, one at a 7% rate and one at a 2.5% rate. In New Jersey, the rates indicated apply to a corporation's entire net income rather than just income over the threshold. A temporary and retroactive surcharge is in effect from 2020 to 2023, bringing the rate to 11.5% for businesses with income over \$1 million.

Sources: Tax Foundation; state tax statutes, forms, and instructions; Bloomberg Tax.

Top State Marginal Corporate Income Tax Rates as of July 1, 2022



Corporate Franchise Tax

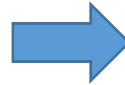
CORPORATE FRANCHISE TAX BASICS

- Annual tax levied on the taxable capital of corporations, including capital stock, surplus, and undivided profits
- Initial tax for new businesses is \$110 for first accounting period
- Revenue generated from this tax is included in the corporate income tax collections

CORPORATE FRANCHISE TAX BASICS

Corporate Franchise Tax Changes adopted during the 2021 Regular Session - SB No. 161 (Act No. 389)

CFT Rates until Jan. 1, 2023	
First Tier*	\$1.50 for each \$1,000 of taxable capital up to \$300,000
Second Tier	\$3.00 for each \$1,000 of taxable capital above \$300,000



CIT Rates beginning Jan. 1, 2023	
First Tier*	No tax due on the first \$300,000 of taxable capital
Second Tier	\$2.75 for each \$1,000 in excess of \$300,000 of taxable capital

***Act No. 389 extended the suspension of the First Tier of CFT for firms that have up to \$1M of taxable capital from June 30, 2021 to July 1, 2023**

Includes a trigger mechanism beginning April 1, 2024, and each April 1 thereafter for further rate reductions if certain CIT and CFT thresholds are met

Effective Jan. 1, 2023, after adoption of a statewide constitutional amendment on Oct. 1, 2021, by the voters of Louisiana and passage of HB No. 278 and HB No. 292 from the 2021 R.S. of the Legislature

Sales and Use Tax

SALES AND USE TAX BASICS

- **State** rate is **4.45%** of the price
- Levied upon the sale at retail, use, consumption, distribution, and storage for use or consumption of each item of tangible personal property
- Levied upon the lease or rental within this state of each item of tangible personal property
- Only 8 services are subject to state sales tax
- FY 21 actual collections - \$4.20B
- FY 22 projected collections - \$4.67B
- FY 23 projected collections - \$4.55B

SALES AND USE TAX BASICS

- Over 191 state exemptions/exclusions/credits total
- Approximately 119 exemptions/exclusions currently effective
 - \$ 2.4B in 2021
- Constitutional exclusions
 - Three of the top 5 largest exemptions in sales tax are the constitutional exemptions for food for home consumption, prescription drugs, and residential utilities
 - \$ 1.03B in 2021



STATE SALES TAX RATES (JULY 1, 2022)

State	Sales Tax Rate	Rank	State	Sales Tax Rate	Rank
California	7.25%	1	West Virginia	6.00%	17
Indiana	7.00%	2	Ohio	5.75%	27
Mississippi	7.00%	2	Arizona	5.60%	28
Rhode Island	7.00%	2	Maine	5.50%	29
Tennessee	7.00%	2	Nebraska	5.50%	29
Minnesota	6.875%	6	Virginia	5.30%	31
Nevada	6.85%	7	New Mexico	5.00%	32
New Jersey	6.625%	8	North Dakota	5.00%	32
Arkansas	6.50%	9	Wisconsin	5.00%	32
Kansas	6.50%	9	North Carolina	4.75%	35
Washington	6.50%	9	Oklahoma	4.50%	36
Connecticut	6.35%	12	South Dakota	4.50%	36
Illinois	6.25%	13	Louisiana	4.45%	38
Massachusetts	6.25%	13	Missouri	4.225%	39
Texas	6.25%	13	Alabama	4.00%	40
Utah	6.10%	16	Georgia	4.00%	40
Florida	6.00%	17	Hawaii	4.00%	40
Idaho	6.00%	17	New York	4.00%	40
Iowa	6.00%	17	Wyoming	4.00%	40
Kentucky	6.00%	17	Colorado	2.90%	45
Maryland	6.00%	17	Alaska	0.00%	50
Michigan	6.00%	17	Delaware	0.00%	50
Pennsylvania	6.00%	17	Montana	0.00%	50
South Carolina	6.00%	17	New Hampshire	0.00%	50
Vermont	6.00%	17	Oregon	0.00%	50

SOURCE:
Tax Foundation

LOCAL SALES TAX RATES (JULY 1, 2022)

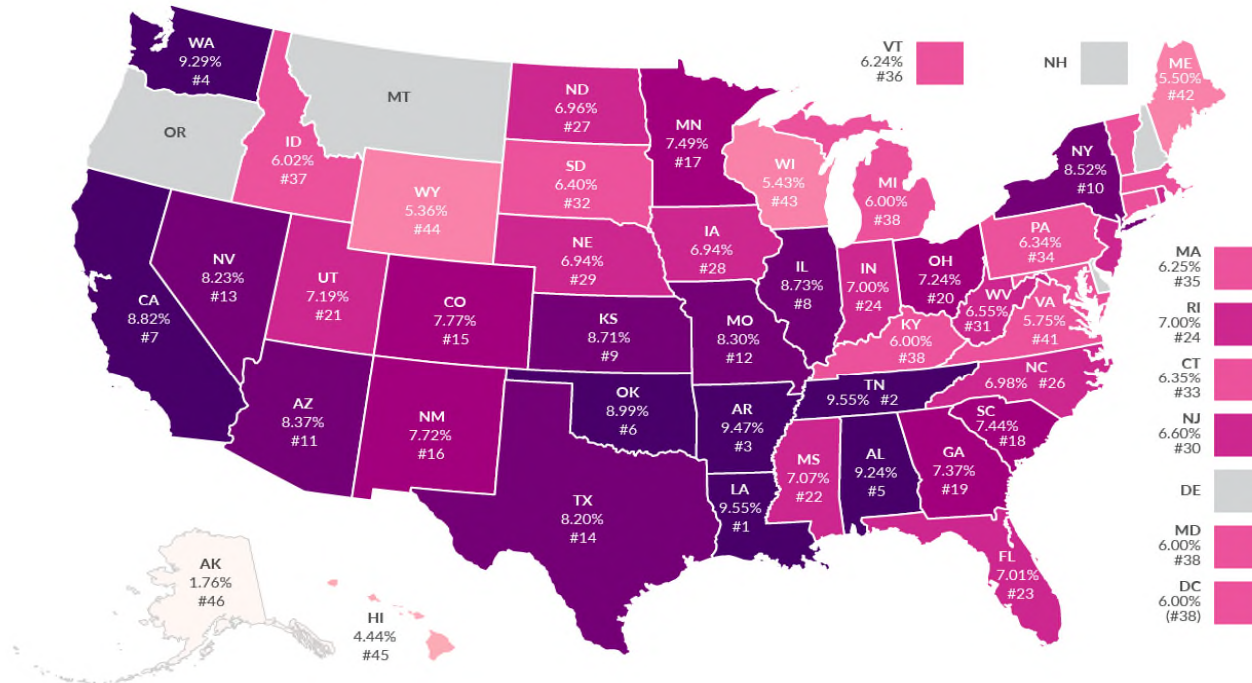
State	Avg. Local Tax Rate	Rank	State	Avg. Local Tax Rate	Rank
Alabama	5.24%	1	Utah	1.09%	26
Louisiana	5.10%	2	Florida	1.01%	27
Colorado	4.87%	3	Iowa	0.94%	28
New York	4.52%	4	Minnesota	0.61%	29
Oklahoma	4.49%	5	West Virginia	0.55%	30
Missouri	4.07%	6	Virginia	0.45%	31
Georgia	3.37%	7	Hawaii	0.44%	32
Arkansas	2.97%	8	Wisconsin	0.43%	33
Washington	2.79%	9	Pennsylvania	0.34%	34
Arizona	2.77%	10	Vermont	0.24%	35
New Mexico	2.72%	11	Mississippi	0.07%	36
Tennessee	2.55%	12	Idaho	0.02%	37
Illinois	2.48%	13	Connecticut	0.00%	50
North Carolina	2.23%	14	Delaware	0.00%	50
Kansas	2.21%	15	Indiana	0.00%	50
North Dakota	1.96%	16	Kentucky	0.00%	50
Texas	1.95%	17	Maine	0.00%	50
South Dakota	1.90%	18	Maryland	0.00%	50
Alaska	1.76%	19	Massachusetts	0.00%	50
California	1.57%	20	Michigan	0.00%	50
Ohio	1.49%	21	Montana	0.00%	50
Nebraska	1.44%	22	New Hampshire	0.00%	50
South Carolina	1.44%	22	New Jersey	0.00%	50
Nevada	1.38%	24	Oregon	0.00%	50
Wyoming	1.36%	25	Rhode Island	0.00%	50

SOURCE:
Tax Foundation

SALES TAX MAP

How High are Sales Taxes in Your State?

Combined State & Average Local Sales Tax Rates, July 2022



Notes: City, county and municipal rates vary. These rates are weighted by population to compute an average local tax rate. The sales taxes in Hawaii, New Mexico and South Dakota have broad bases that include many business-to-business services. D.C.'s rank does not affect states' ranks, but the figure in parentheses indicates where it would rank if included.

Sources: Sales Tax Clearinghouse; Tax Foundation calculations; State Revenue Department websites

Combined State & Average Local Sales Tax Rates



Severance Tax

SEVERANCE TAX BASICS

- Levied upon the severance or extraction of certain minerals and other natural resources from the soil or ground
 - Timber, pulp woods, turpentine, oil, gas, natural gas, distillate, condensate, casinghead gas, sulphur, salt, coal, lignite, and ores, marble, stone, sand, shells, salt content in brine
- FY 21 actual collections - \$302M
- FY 22 projected collections - \$428M
- FY 23 projected collections - \$420M

Excise Taxes:

Tobacco and Alcoholic Beverages

EXCISE TAXES: TOBACCO TAX BASICS

Tax is levied on manufacturers or importers of cigars, cigarettes, smoking and smokeless tobacco for sale, use, handling, distribution, or consumption in Louisiana

Tobacco Product	Rate
Cigars	8% of the invoice price for cigars invoiced at \$120 per 1,000 or less
	20% of the invoice price for cigars at more than \$120 per 1,000
Cigarettes	\$1.08 per pack of 20 (5.4¢ per cigarette)
Smoking Tobacco	33% of the invoice price
Smokeless Tobacco	20% of the invoice price
Vapor products and electronic cigarettes	.05¢ per milliliter of consumable nicotine liquid solution

EXCISE TAXES: TOBACCO TAX BASICS

- FY 21 actual collections - \$284.3M
- FY 22 projected collections - \$257M
- FY 23 projected collections - \$275.8M

EXCISE TAXES: ALCOHOLIC BEVERAGES BASICS

Alcoholic beverages are taxed as follows:

Beverage	Prior Tax Rate	Rate after passage of Act No. 13 of 2016 1 E.S.
Beer and Malt Liquor	(1948) \$10 per barrel	\$12.50 per barrel
Liquor	(1978) \$0.66 per liter	\$0.80 per liter
Sparkling and Still Wines over 24% alcohol by volume	(1978) \$0.42 per liter	\$0.55 per liter
Still Wines b/w 14% and 24% alcohol by volume	(1978) \$0.06 per liter	\$0.35 per liter
Still Wines under 14% alcohol by volume	(1978) \$0.03 per liter	\$0.20 per liter

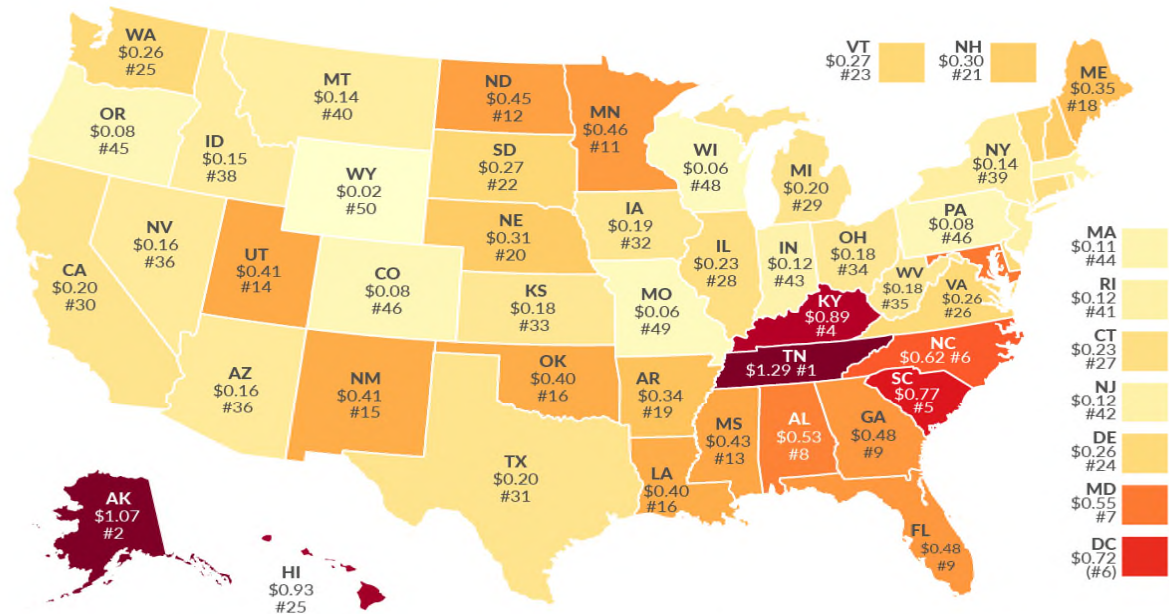
EXCISE TAXES: ALCOHOLIC BEVERAGES BASICS

- FY 21 actual collections for beer and alcoholic beverages- \$79.7M
- FY 22 projected collections for beer and alcoholic beverages - \$77.3M
- FY 23 projected collections for beer and alcoholic beverages - \$77.5M

EXCISE TAXES: BEER TAX MAP

How High are Beer Taxes in Your State?

State Beer Excise Taxes (Dollars per Gallon), 2021



Note: Rates are those applicable to off-premise sales of 4.7% alcohol by volume (a.b.v.) beer in 12-ounce containers which have been imported from outside the state. At the federal level, beer is subject to differing tax rates. Small domestic brewers are taxed between \$0.11/gallon and \$0.516/gallon. All other brewers are taxed at rates between \$0.516/gallon and \$0.58/gallon. D.C.'s rank does not affect states' ranks, but the figure in parentheses indicates where it would rank if included. Different rates are also applicable in FL, GA, HI, ID, IA, KS, MN, NC, ND, OH, OK, TX, UT, VA, WA, and WI according to alcohol content, place of production, size of container, or place purchased (on- or off-premise or onboard airlines). Rates include the statewide local rates in AL (\$0.52/gallon) and GA (\$0.53/gallon). They include sales taxes specific to alcoholic beverages in AR, MD, MN, and D.C. Rates in AR and RI include case fees and/or bottle fees which may vary with the size of container. Rates include the wholesale rate in Kentucky (10%) and Tennessee (\$35.60/barrel), converted into a gallonage excise tax rate.

Sources: Distilled Spirits Council of the United States; Alcohol and Tobacco Tax and Trade Bureau; state revenue departments.

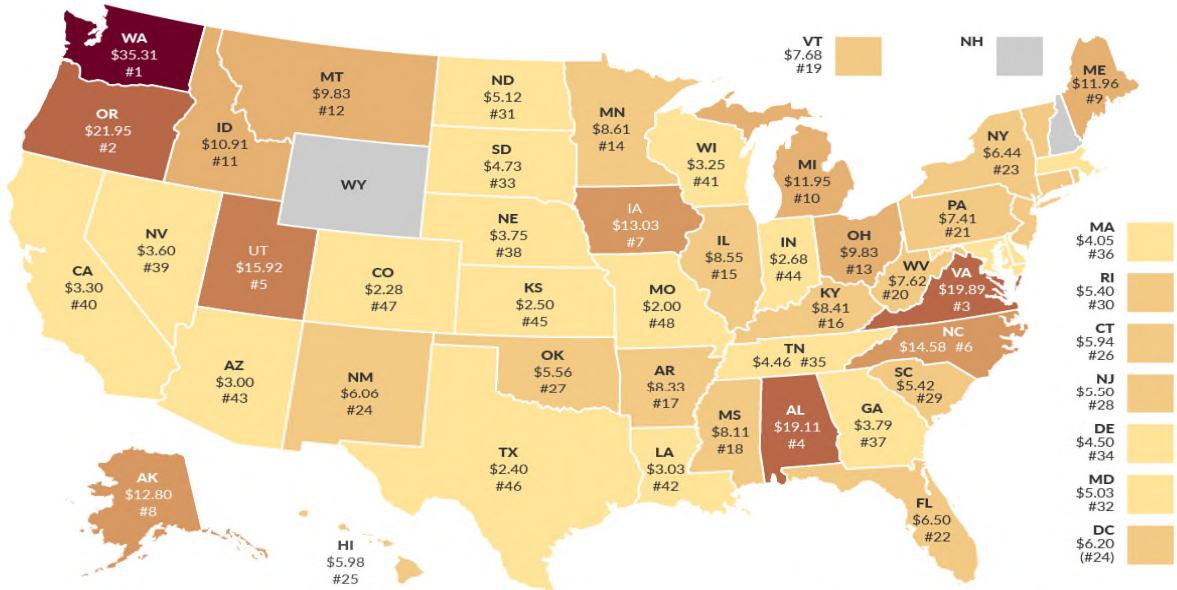
State Beer Excise Tax Rates,
Dollars per Gallon



EXCISE TAXES: DISTILLED SPIRITS TAX MAP

How High are Distilled Spirits Taxes in Your State?

State Distilled Spirits Excise Tax Rates (Dollars per Gallon), as of January 2021



Note: Rates are those applicable to off-premise sales of 40% alcohol by volume (a.b.v.) distilled spirits in 750ml containers. At the federal level, spirits are subject to a tiered tax system. Federal rates are \$2.70 per proof gallon on the first 100,000 gallons per calendar year, \$13.34/proof gallon for more than 100,000 gallons but less than 22.23 million and \$13.50/proof gallon for more than 22.23 million gallons. D.C.'s rank does not affect states' ranks, but the figure in parentheses indicates where it would rank if included. The alcohol excise tax provisions of the Tax Cuts and Jobs Act were made permanent as of Dec. 27, 2020.

AK, CA, CT, DE, FL, GA, IL, IN, LA, MD, MA, NV, NY, ND, RI, SD, TX: Different rates also applicable to alcohol content, place of production, size of container, or place purchased (on- or off-premise or on board airlines).

AL, ID, IA, ME, MI, MS, MT, NH, NC, OH, OR, PA, UT, VT, VA, WV, WY: Control states, where the government controls all sales. Products can be subject to *ad valorem* mark-up as well as excise taxes.

KY: Rates include the wholesale tax rate of 11%, converted to a gallonage excise tax rate.

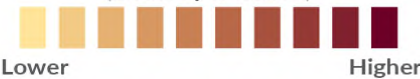
AR, MN, SC, TN: Rates include case fees and/or bottle fees which may vary with size of container.

AR, MD, MN, ND, SD, WA, DC: Rates include sales taxes specific to alcoholic beverages.

WA: Includes the retail (17%) and distributor (5%/10%) license fees, converted into a gallonage excise tax rate.

Sources: Distilled Spirits Council of the United States; Alcohol and Tobacco Tax and Trade Bureau.

State Distilled Spirits Excise Tax Rates (Dollars per Gallon)



Petroleum Products:

Gas Taxes

GAS TAXES

- 20 cents per gallon levied on gasoline, motor fuels, and special fuels
 - 16 cents per gallon is dedicated to the Transportation Trust Fund (TTF) for highway construction and maintenance, statewide flood control, ports, transit, and the Parish Transportation Fund
 - 4 cents per gallon is dedicated to the TTF for the Transportation Infrastructure Model for Economic Development (TIMED) program which is used exclusively for sixteen specific road and bridge projects

GAS TAXES

- Louisiana state and federal gas taxes total 38.4 cents was last changed in the following years:
 - 16 cent state tax in 1984
 - 4 cent state tax (TIMED) in 1990
 - 18.4 cent federal tax in 1993
 - Used for eligible federal highway and transit projects

GAS TAXES

- FY 21 actual collections - \$609.9 M
 - 16 cents - \$487.9 M
 - 4 cents - \$122.0 M
- FY 22 projected collections - \$618.5 M
 - 16 cents - \$494.8 M
 - 4 cents - \$123.7 M
- FY 23 projected collections - \$616.3 M
 - 16 cents - \$493.0 M
 - 4 cents - \$123.3 M

FY 21 = \$609.9 M

Divided By

Tax = 20 cents

Equals

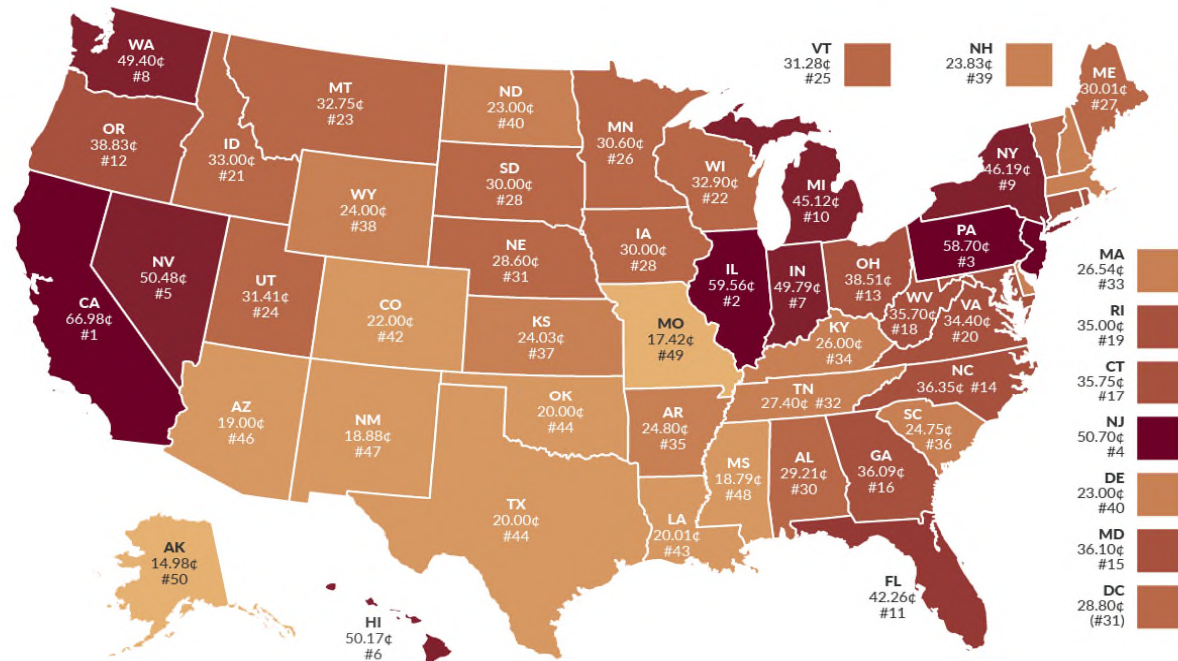
\$30.5 M

- Each penny generates approximately \$30 M

GAS TAX MAP

How High are Gas Taxes in Your State?

Total State Taxes and Fees on Gasoline, July 2021 (cents per gallon)



Note: These rates do not include the 18.4 cent/gallon federal excise tax rate on gas. The American Petroleum Institute has developed a methodology for determining the average tax rate on a gallon of fuel. Rates may include any of the following: excise taxes, environmental fees, storage tank taxes, other fees or taxes, and general sales taxes. In states where gasoline is subject to the general sales tax, or where the fuel tax is based on average sale price, the average rate determined by API is sensitive to changes in the price of gasoline. D.C.'s rank does not affect states' ranks, but the figure in parentheses indicates where it would rank if included. Data as of July 2021.

Source: American Petroleum Institute.

Total State Taxes and Fees on Gasoline



Gaming

GAMING REVENUES

Gaming Type	Tax
Riverboat Gaming	15% to 18% tax on net gaming proceeds
Racetrack Slots	18.5% tax on net slot machine proceeds
Video Poker	32.5% tax on net revenue of devices at truck stops; 26% tax on net revenue of devices at other permitted sites (e.g. restaurants, bars, clubs, hotels)
Fantasy Sports Wagering	8% tax on net revenues of fantasy sports contests
Sports Wagering	10% tax on net proceeds of onsite wagering; 15% tax on net proceeds of online wagering
Lottery Sports Wagering	10% tax on net proceeds of onsite wagering; 15% tax on net proceeds of online wagering
Lottery Proceeds	Revenues deposited into state treasury according to a formula and schedule provided for in law (R.S. 47:9029)
Land-Based Casino	Revenues deposited into state treasury according to a formula and schedule provided for in law (R.S. 27:270)

GAMING REVENUES

- FY 21 actual collections - \$915M
- FY 22 projected collections - \$963M
- FY 23 projected collections - \$927M

TAX COLLECTIONS VS “TAX EXPENDITURES”

- “Tax Expenditures” is the term used to refer to “payouts” against a tax type which result in a loss of state tax revenue available for appropriation
- This is un-appropriated spending in the budget
- Common types of “tax expenditures” include:
 - Exemptions
 - Deductions
 - Exclusions
 - Credits
 - Rebates
- All types of “tax expenditures” result in loss of revenue to the state

“TAX EXPENDITURES”

Exemptions, Exclusions, and Deductions:

- Items of income that would otherwise be subject to state income tax but, because of special tax treatment, are not included in the calculation of taxable income
- Exclusions are not included in calculating a taxpayer's taxable income (not in the tax base)
- Exemptions and deductions generally reduce a taxpayer's tax liability by reducing the taxpayer's taxable income/reduces the taxable base
- The taxpayer's taxable income is lowered by the amount of the deduction prior to the calculation of the taxpayer's tax liability
- Generally tied to specific expenses

“TAX EXPENDITURES”

Credits:

- Generally, dollar-for-dollar “credit” or reduction against a taxpayer’s tax liability in any given year
- Credits are applied after a taxpayer’s tax liability is calculated
- Taxpayer earns a credit pursuant to terms of tax credit’s requirements
- Three types of tax credits:
 - Refundable - state issues taxpayer a refund for amount of credit that may exceed the taxpayer’s tax liability
 - Nonrefundable - after applying the amount of credit against tax liability, the remaining amount is “lost” if not authorized to be carried forward
 - Transferable - owner of the tax credit can transfer or sell the tax credit to other taxpayers, or, in some cases, back to the state for a reduction in its face value
 - Carry forward - if the value of the credit is not eliminated in the first year it is granted, the remaining value of the credit is carried over to the next tax year and the taxpayer can use it against the following year’s tax liability

“TAX EXPENDITURES”

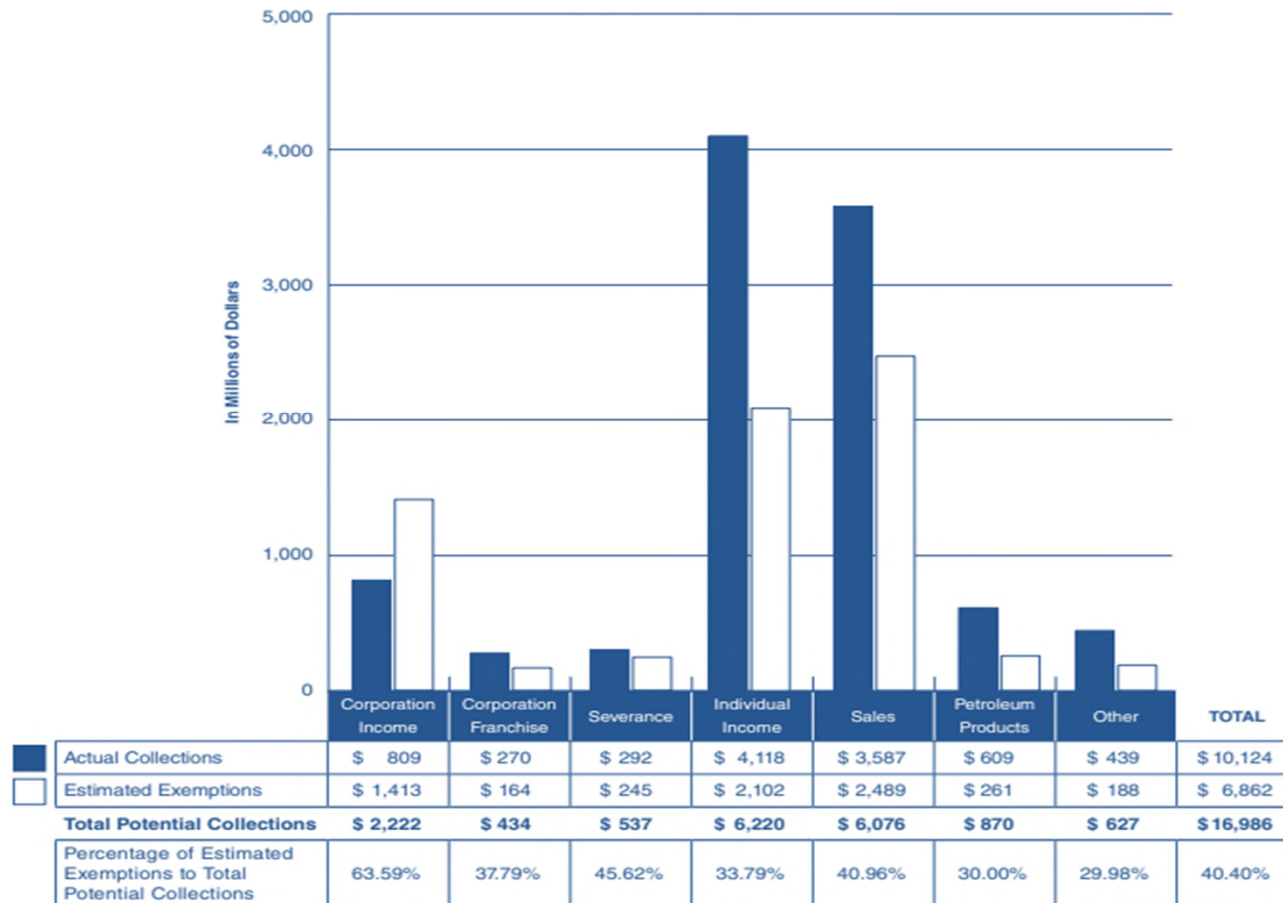
Rebates:

- Does not affect tax rates, tax base, or calculation of taxable income
- Taxpayer meets eligibility requirements for earning the rebate
- Taxpayer submits documentation to the Dept. of Revenue (DOR)
- DOR pays the amount of the rebate out of the current individual and corporate income tax collections
- Claiming the rebate is unrelated to taxing activity and the filing of an income tax return
- Paid throughout the taxable year

TAX COLLECTIONS VS TAX EXPENDITURES

Analysis of Tax Collections vs. Exemptions*

In Millions
(FY 2020-21)



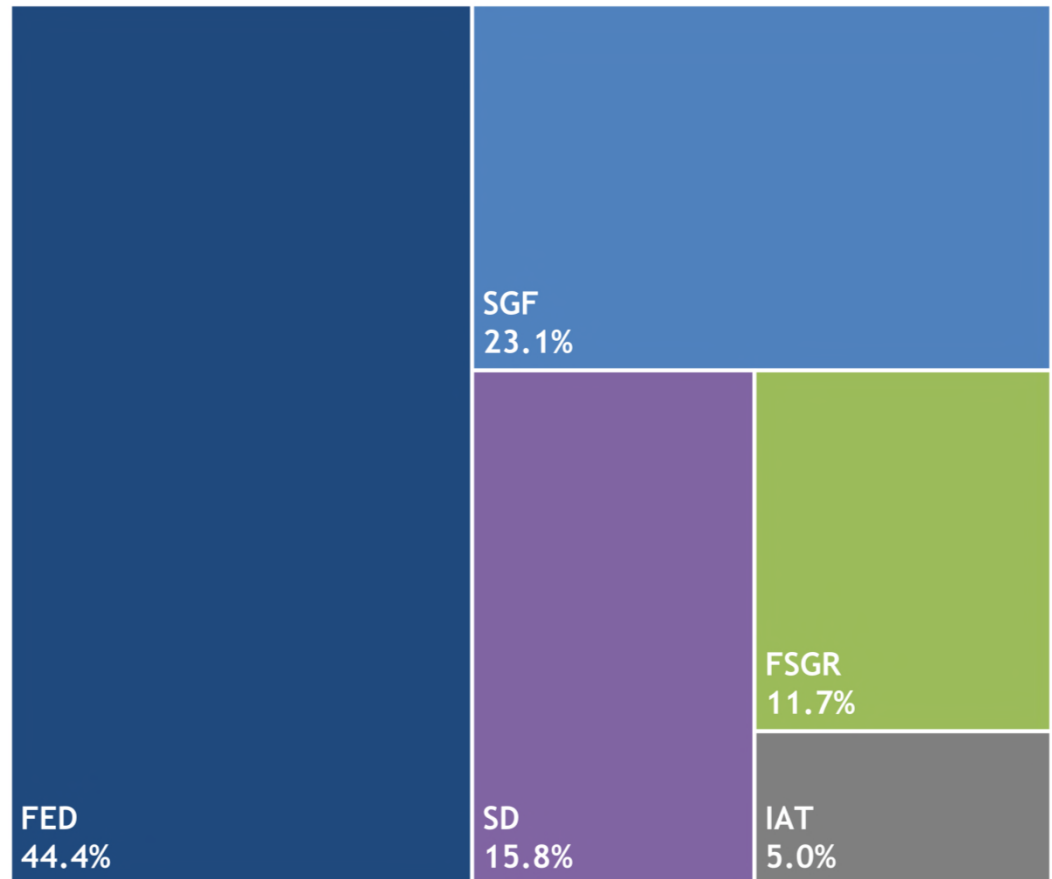
Source: FY 21-22 Tax Exemption Budget published by the La. Dept. of Revenue

FY 23 State Budget

FY 23 APPROPRIATION

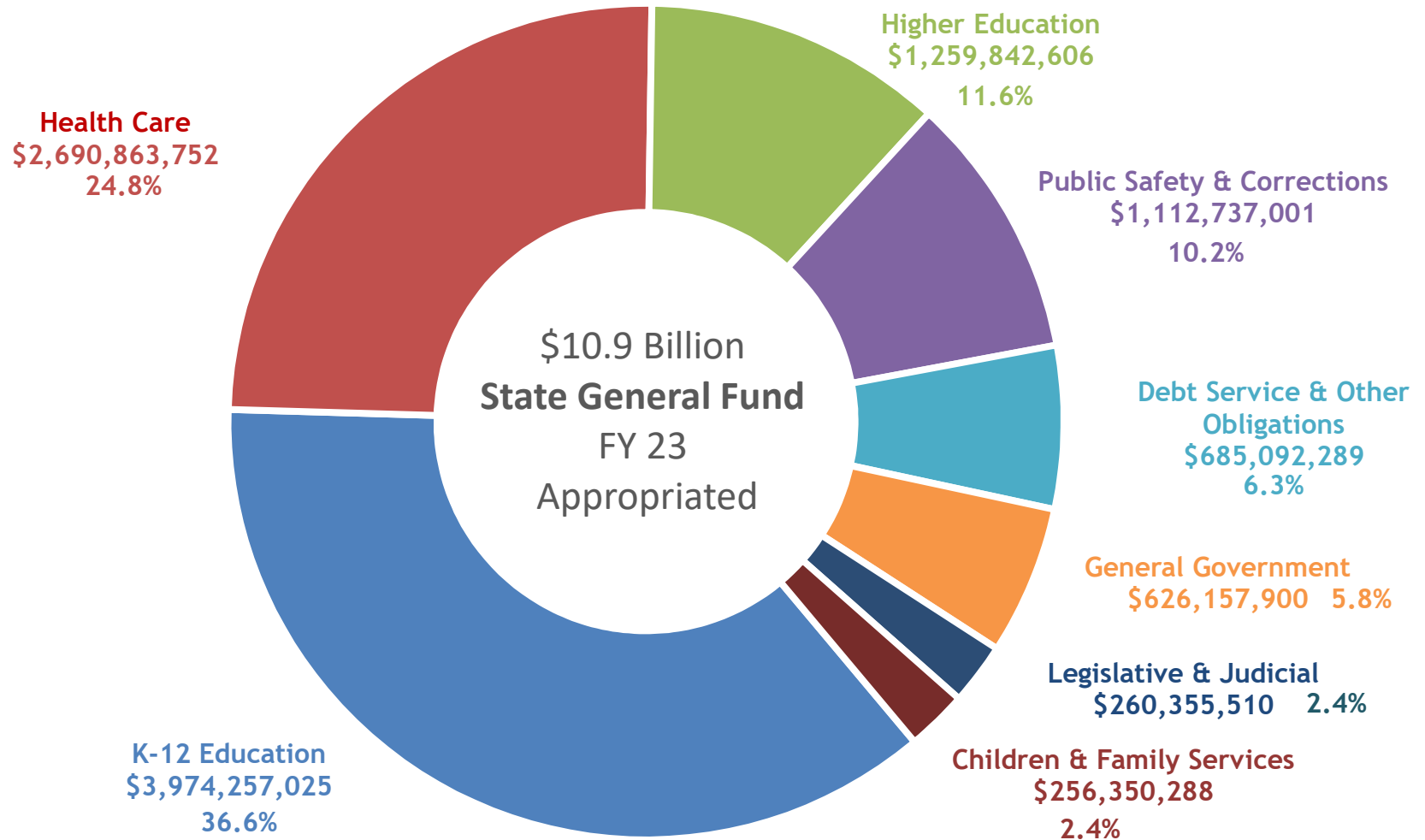
Total Funding = \$47,028,489,936

Means of Finance		
State General Fund	\$	10,865,656,371
Interagency Transfers		2,340,932,800
Fees & Self-generated		5,488,313,116
Statutory Dedications		7,452,988,017
Federal Funds		20,880,599,632
Total	\$	47,028,489,936

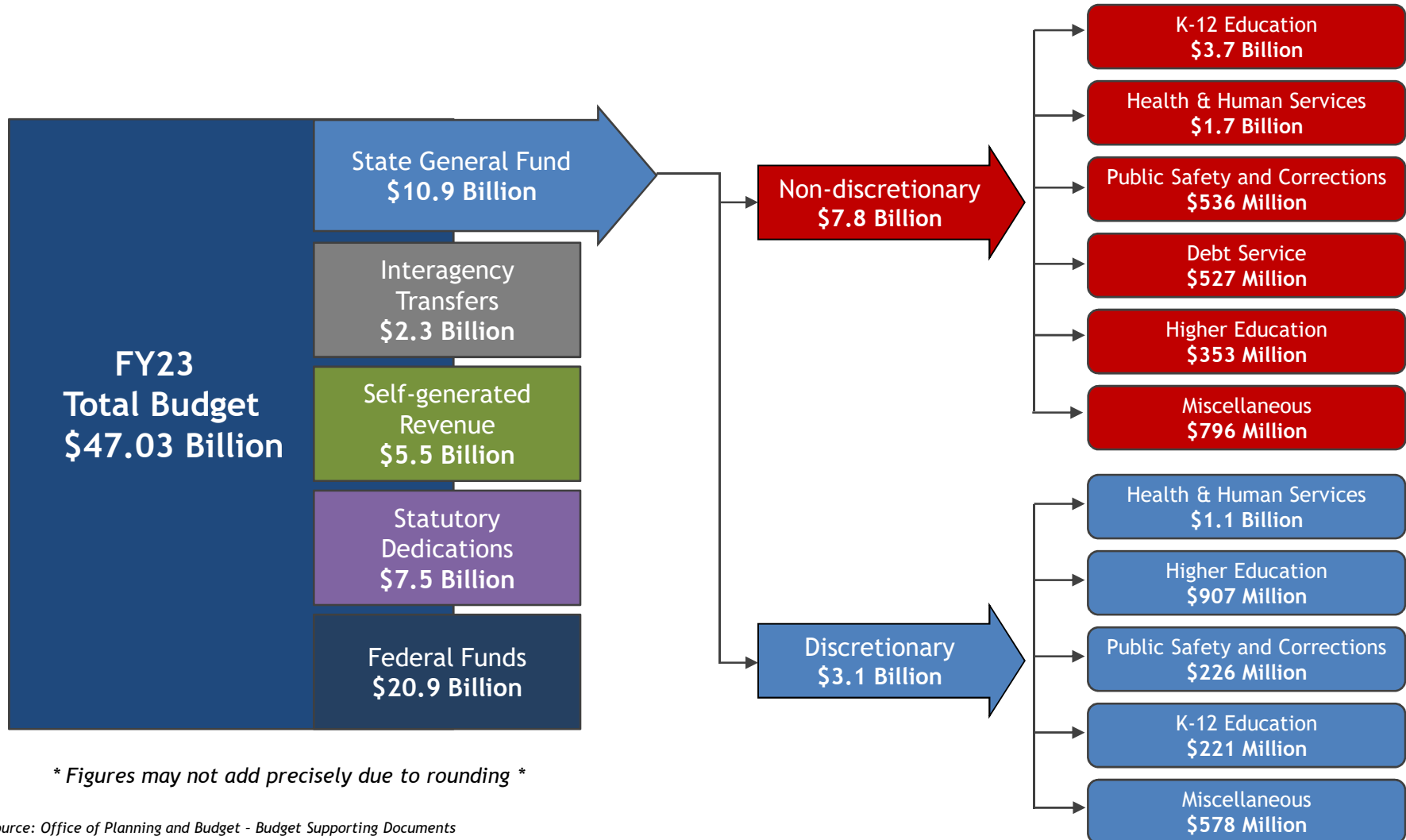


- **\$42.7B** total budget without double counts
 - Two major components of \$4.2 billion in double counts are Interagency Transfers and Ancillary Bill (agencies) self-generated funds

STATE GENERAL FUND BY CATEGORY



DISCRETIONARY EXPENSES



* Figures may not add precisely due to rounding *

NON-DISCRETIONARY SGF

Constitution: Minimum Foundation Program, General Obligation Debt Service, Revenue Sharing, elections costs and ballot printing, salaries of statewide elected officials, Unfunded Accrued Liability payments, etc.

Federal Mandate: mandatory Medicaid services and Safe Drinking Water Act inspections.

Unavoidable Obligations: Group Benefits for retirees, Adult Probation and Parole Field Services, Family Preservation and Children Services, incarceration of adult inmates in Corrections, Legislative Auditor fees, etc.

Avoidance of Court Order: involves litigation concerning community-based waiver options, elderly and disabled adult waiver litigation, and instruction in Special School districts.

Legislative Discretion: expenses of the Legislature and Judiciary.

Statutory Obligations: includes D.A. and A.D.A. salaries, Local Housing of State Adult Offenders, POST training for law enforcement, Board of Pardons and Parole, and medical care for prisoners.

Debt Service: debt management program in the treasury, debt service for the Office Facilities Corporation, Corrections Debt Service, Higher Education Debt Service, and rent in state-owned buildings.

Due to Court Order: includes representation for mental health patients and medical care for some state prisoners.

