

CAPITAL PROJECTS FUNDS

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**ROAD AND STREET IMPROVEMENT FUND
GENERAL SALES AND USE TAX**

REVENUE TYPE	FUND . . OBJECT
Taxes	338 . . 339 . . 413000

LEGAL AUTHORIZATION

FEDERAL	STATE	LOCAL
N/A	Louisiana Constitution, 1974 Article 6, §29 (A) Article 6, §29 (B) Louisiana Revised Statutes 33:2711 33:2741 47:303 B (3) (b) 33:2721.6	Resolutions 37828, 5/28/97 41217, 8/22/01 Ordinances 10127, 12/14/94 10904, 5/28/97 12303, 04/24/02

INTERPRETATION OF LEGAL AUTHORIZATION:

Federal: N/A

State: **Article 6, Section 29 (A)** of the Louisiana Constitution of 1974 authorizes the governing authority of any local governmental subdivision or school board to levy and collect a sales and use tax. **Section 29 (B)** provides that the legislature may authorize the imposition of additional sales and use taxes by local governmental subdivisions or school boards if approved by a majority of the electors voting thereon in an election held for that purpose. **L.R.S. 33:2711** authorizes any incorporated municipality of the state to levy and collect a sales and use tax, and **L.R.S. 33:2741** authorizes the governing body of the parish to levy and collect a sales and use tax in the parish but outside of any incorporated municipality. **L.R.S. 47:303 B (3) (b)** authorizes the Vehicle Commissioner to collect the sales and use tax on vehicles on behalf of the parish or city. **L.R.S. 33:2721.6** states that the combined rate of all sales and use taxes, exclusive of state sales and use taxes levied and collected within any parish or municipality shall not exceed 5%.

Local: **Resolution 37828** dated May 28, 1997, amended the 1997 current expense budget so as to create a new capital projects fund and adopt a budget for this new fund for 1997. **Ordinance 10904** of May 28, 1997, amends **Ordinance 10127** of December 14, 1994 (General Sales and Use Tax Ordinance), and re-levies the ½ of 1% road tax for the period July 1, 1997, through June 30, 2002, to be used 60% for new road construction and intersection improvements, and 40% to continue the previously-existing program of road repairs. **Resolution 41217** of August 22, 2001, called for a special election for the purpose of authorizing the continuation of the existing one-half of one percent sales and use tax, for a period of five and one-half years, commencing on July 1, 2002, to and including December 31, 2007, for the purpose of providing funds to continue the road rehabilitation program, and to provide funds for the construction of new public roads and streets in the Parish of East Baton Rouge. The renewal was approved by the voters in the election held on November 17, 2001. **Ordinance 12303** of April 24, 2002, amends **Ordinance 10127** of December 14, 1994 (General Sales and Use Tax Ordinance), and re-levies the ½ of 1% road tax for five and one-half years beginning July 1, 2002, relative to the repair, improvements, and construction of public roads and streets.

COLLECTION AND TRANSMITTAL OF FUNDS:

Collector: This tax is paid by the ultimate purchaser or consumer to the dealer from whom he or she purchases or leases the property or service or, in the case of motor vehicles, to the Vehicle Commissioner of the State of Louisiana.

Transmittal: Every dealer must remit, by the 20th of each month, the tax arising from sales made during the preceding month.

Comments: Collection of this tax for road construction did not begin until July 1, 1997, as authorized by Ordinance 10904. With the renewal on the new five and one-half year tax a new fund number (Fund 339) was created for accounting purposes.

For further details regarding sales and use taxes, see the "General Sales and Use Tax" item in the General Fund section of this book.

DISTRIBUTION OF PROCEEDS:

Taxes collected within each jurisdiction are remitted directly to the jurisdiction for expenditure.

PAYOR OF TAX:

This tax is collectible from **all persons engaged as dealers in the sale at retail, the use, consumption, distribution, and storage of tangible property and the sale of services; those dealers in turn collect from the purchaser or consumer.**

COMPUTATION OF FEE:

The amount of sales and use tax dedicated to streets and roads is **½ of 1% of the retail sales price or of the cost price or of the sale of services**, excluding food for home consumption, prescription drugs, and medical devices, with 40% of these proceeds continuing the overlay program and 60% of the proceeds being used for new roadway construction and intersection improvements.

REFUND PROCEDURE, RESTRICTIONS, AND RATE LIMITATIONS:

In the event that purchases are returned to the dealer by the purchaser or consumer after the tax has been remitted to the collector, the dealer is entitled to reimbursement of the amount of tax so collected. If the tax has not yet been remitted by the dealer, the dealer may deduct the same in submitting the return. When the dealer has already remitted the tax, the dealer may submit a sworn statement as to the gross amount of such refunds, and the Finance Director will issue, to the dealer, an official credit memorandum to be applied to subsequent taxes. For further details, see the "General Sales and Use Tax" item in the General Fund Section of this book.

This ½ of 1% sales and use tax may be used only for the repair of streets and roads, construction of new roadways, and intersection improvements including necessary engineering services.

This dedicated Parish Street Maintenance and Road and Street Improvement tax is set at the ½ of 1% authorized by the voters. L.R.S. 33:2721.6 provided that the rate of all sales and use taxes levied within any parish or municipality, exclusive of state sales and use taxes, may not exceed 5%.

MONTHLY COLLECTIONS WITH CUMULATIVE PERCENTAGES FOR THE LAST FOUR YEARS:

GENERAL SALES AND USE TAX					ACCOUNT NUMBER 338 .. 339 .. 413000			
MONTH	2001		2002		2003		2004	
	AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
January	1,102,237	7.59%	1,121,173	7.47%	1,196,396	7.75%	1,177,934	7.48%
February	1,114,633	15.27%	1,176,208	15.30%	1,172,854	15.34%	1,182,761	15.00%
March	1,234,917	23.78%	1,258,143	23.68%	1,307,466	23.80%	1,346,758	23.56%
April	1,210,268	32.12%	1,232,581	31.88%	1,249,367	31.89%	1,280,628	31.70%
May	1,200,784	40.39%	1,260,005	40.27%	1,338,457	40.56%	1,260,673	39.71%
June	1,191,500	48.60%	1,252,947	48.62%	1,313,656	49.06%	1,351,960	48.30%
July	1,198,347	56.86%	1,203,883	56.63%	1,227,603	57.01%	1,257,632	56.29%
August	1,207,433	65.17%	1,229,140	64.82%	1,230,776	64.98%	1,329,403	64.73%
September	1,168,297	73.22%	1,188,238	72.73%	1,327,058	73.57%	1,246,515	72.66%
October	1,168,696	81.27%	1,267,283	81.17%	1,257,460	81.71%	1,280,583	80.79%
November	1,206,266	89.58%	1,264,975	89.59%	1,221,715	89.62%	1,282,011	88.94%
December	1,511,752	100.00%	1,563,289	100.00%	1,603,670	100.00%	1,740,827	100.00%
TOTAL% Chg	14,515,130	-1.01%	15,017,865	3.46%	15,446,478	2.85%	15,737,685	1.89%

VEHICLE SALES AND USE TAX					ACCOUNT NUMBER 338 .. 339 .. 413000			
MONTH	2001		2002		2003		2004	
	AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
January	149,979	7.93%	174,377	9.07%	188,754	9.81%	153,034	8.40%
February	127,498	14.68%	141,819	16.44%	139,870	17.08%	126,347	15.34%
March	159,001	23.09%	156,158	24.56%	150,549	24.90%	151,878	23.68%
April	143,656	30.69%	167,839	33.29%	158,159	33.12%	161,093	32.53%
May	169,540	39.66%	183,583	42.83%	172,309	42.08%	142,987	40.38%
June	151,567	47.67%	156,537	50.97%	161,908	50.49%	164,320	49.40%
July	159,409	56.11%	162,551	59.42%	173,211	59.49%	158,840	58.12%
August	189,285	66.12%	179,243	68.74%	170,772	68.37%	170,356	67.48%
September	147,084	73.90%	170,398	77.60%	170,951	77.25%	153,184	75.89%
October	183,209	83.59%	167,072	86.29%	174,542	86.32%	139,743	83.56%
November	165,373	92.34%	132,964	93.20%	123,854	92.76%	142,288	91.38%
December	144,830	100.00%	130,733	100.00%	139,274	100.00%	157,033	100.00%
TOTAL% Chg	1,890,431	-1.97%	1,923,274	1.74%	1,924,153	0.05%	1,821,103	-5.36%

When this tax was renewed for an additional five and one-half years, beginning July 1, 2002, a new fund number (Fund 339) was created to account for monies collected under the renewal.

REVENUE SUMMARY - ROAD AND STREET IMPROVEMENT FUND		FUND 338 & 339						
		2001		2002		2003		2004
REVENUE TYPE	AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
REVENUES:								
Taxes:								
City-Parish								
Sales & Use Taxes	14,515,130	79.54%	15,017,865	82.64%	15,446,478	84.38%	15,737,685	84.72%
Vehicle Tax	1,890,431	10.36%	1,923,274	10.58%	1,924,153	10.51%	1,821,103	9.80%
Total Sales & Use and Vehicle Taxes	16,405,561	89.90%	16,941,139	93.23%	17,370,631	94.89%	17,558,788	94.52%
Audit Collections	167,876	0.92%	138,467	0.76%	152,164	0.83%	159,348	0.86%
Int. & Penalties - Delinquent Taxes								
City-Parish	128,356	0.70%	132,010	0.73%	143,175	0.78%	152,529	0.82%
Total Taxes	16,701,793	91.52%	17,211,616	94.72%	17,665,970	96.50%	17,870,665	96.20%
Miscellaneous Revenues:								
Interest Earnings	1,545,088	8.47%	889,662	4.90%	640,703	3.50%	705,322	3.80%
Contributions from Private Business	2,000	0.01%	70,428	0.39%	0	0.00%	0	0.00%
Total Miscellaneous Revenues	1,547,088	8.48%	960,090	5.28%	640,703	3.50%	705,322	3.80%
TOTAL REVENUES	18,248,881	100.00%	18,171,706	100.00%	18,306,673	100.00%	18,575,987	100.00%
OTHER FINANCING SOURCES:								
Operating Transfers In:								
General Fund	0	0.00%	0	0.00%	0	0.00%	0	0.00%
TOTAL REVENUE AND OTHER FINANCING SOURCES	18,248,881	100.00%	18,171,706	100.00%	18,306,673	100.00%	18,575,987	100.00%
% Change		-2.78%		-0.42%		0.74%		1.47%