

**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, 05/28/97 41217, 08/22/01 44190, 06/08/05 Ordinances 10127, 12/14/94 10904, 05/28/97 12303, 04/24/02

INTERPRETATION OF LEGAL AUTHORIZATION:

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, 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. **Resolution 44190** of June 8, 2005, called for a special election in which voters approved the ½ of 1% road tax for an additional 23 years to be used 70% for road construction, 27% to continue the program of road repairs, and 3% for road beautification projects.

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 of the new five and one-half year tax, a new fund number (Fund 339) was created for accounting purposes. 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 and prior funding was collected in Fund 338. 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. Beginning in 2006 the funds are used as follows; 70% for road construction, 27% to continue the program of road repairs, and 3% for road beautification projects.

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, beautification of 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 & USE TAX				ACCOUNT NUMBER 339 . . 413000				
MONTH	2005		2006		2007		2008	
	\$	%	\$	%	\$	%	\$	%
January	1,243,654	6.78%	1,762,486	7.65%	1,756,467	7.54%	1,797,022	7.23%
February	1,268,304	13.70%	1,794,750	15.44%	1,730,161	14.97%	1,909,264	14.91%
March	1,467,200	21.71%	2,134,592	24.71%	2,031,557	23.69%	2,043,849	23.13%
April	1,380,829	29.24%	1,845,380	32.72%	1,831,018	31.55%	1,972,981	31.07%
May	1,400,215	36.88%	1,904,270	40.99%	1,945,893	39.91%	2,069,175	39.39%
June	1,441,626	44.74%	1,980,040	49.58%	1,986,324	48.44%	2,107,489	47.87%
July	1,326,941	51.98%	1,773,384	57.28%	1,906,706	56.62%	1,984,182	55.85%
August	1,334,939	59.26%	1,923,232	65.63%	1,952,628	65.01%	1,957,950	63.73%
September	1,772,891	68.93%	1,848,195	73.65%	1,913,356	73.22%	1,952,613	71.59%
October	1,834,788	78.94%	1,876,085	81.80%	1,927,255	81.50%	2,357,628	81.07%
November	1,720,304	88.33%	1,866,155	89.90%	1,943,689	89.84%	2,028,454	89.23%
December	2,140,220	100.00%	2,326,323	100.00%	2,383,105	100.07%	2,655,027	99.91%
Adjustment	0	100.00%	0	100.00%	(17,190)	100.00%	21,699	100.00%
TOTAL	18,331,911	16.48%	23,034,892	25.65%	23,290,969	1.11%	24,857,333	6.73%

VEHICLES SALES & USE TAX					ACCOUNT NUMBER 339 . . 413000			
MONTH	2005		2006		2007		2008	
	\$	%	\$	%	\$	%	\$	%
January	155,990	7.87%	214,797	8.37%	210,581	8.60%	214,836	9.98%
February	136,731	14.77%	188,430	15.72%	189,281	16.33%	185,105	18.58%
March	160,298	22.86%	251,911	25.53%	222,979	25.44%	187,001	27.26%
April	144,173	30.13%	190,362	32.95%	210,461	34.04%	200,745	36.58%
May	154,552	37.93%	221,437	41.58%	224,028	43.19%	188,532	45.34%
June	165,602	46.29%	228,957	50.51%	208,508	51.71%	182,193	53.80%
July	169,067	54.82%	209,390	58.67%	204,378	60.06%	194,592	62.84%
August	152,899	62.53%	250,665	68.44%	226,942	69.33%	180,337	71.22%
September	156,481	70.43%	225,649	77.23%	193,946	77.25%	136,949	77.58%
October	181,622	79.59%	214,693	85.60%	202,000	85.50%	190,497	86.42%
November	195,735	89.47%	177,106	92.50%	190,458	93.28%	132,929	92.60%
December	208,685	100.00%	192,412	100.00%	164,410	100.00%	159,383	100.00%
TOTAL	1,981,835	8.83%	2,565,809	29.47%	2,447,972	-4.59%	2,153,099	-12.05%

SUMMARY OF REVENUES					FUNDS 338 & 339			
REVENUE TYPE	2005		2006		2007		2008	
	\$	%	\$	%	\$	%	\$	%
Taxes								
City Parish								
Sales & Use Tax	18,331,911	82.61%	23,034,892	95.42%	23,290,969	109.90%	24,857,333	122.07%
Prior Year Refunds	0	0.00%	0	0.00%	(266,194)	-1.26%	0	122.07%
Vehicle Tax	1,981,835	8.93%	2,565,809	10.63%	2,447,972	11.55%	2,153,099	132.65%
Subtotal	20,313,746	91.54%	25,600,701	106.05%	25,472,747	120.19%	27,010,432	265.29%
Audit Collections	114,211	0.51%	357,080	1.48%	221,475	1.05%	194,889	266.25%
Debt Service Fund Revenues								
2006A \$32.7M Rd & St Impro.	0	0.00%	(2,219,747)	-9.20%	(4,441,542)	-20.96%	(5,447,008)	239.50%
2006B \$92.2M Rd & St Impro.	0	0.00%	(2,557,103)	-10.59%	(3,799,322)	-17.93%	(4,491,617)	217.44%
Subtotal	0	0.00%	(4,776,850)	-19.79%	(8,240,864)	-38.88%	(9,938,625)	168.64%
Int & Pen - Delinquent Tax	156,580	0.71%	249,314	1.03%	182,043	0.86%	278,243	170.00%
Total Taxes	20,584,537	92.76%	21,430,245	88.77%	17,635,401	83.21%	17,544,939	256.16%
Miscellaneous Revenues								
Interest Earnings	1,606,271	7.24%	2,709,792	11.23%	3,524,715	264.36%	2,500,907	268.45%
Contributions from Private Bus.	0	0.00%	0	0.00%	0	264.36%	316,729	270.00%
Total Miscellaneous Revenues	1,606,271	291.54%	2,709,792	11.23%	3,524,715	280.99%	2,817,636	283.84%
Other Financing Sources								
Transfer In From Fund 150	0	0.00%	0	0.00%	33,426	281.15%	0	283.84%
TOTAL/% CHANGE	22,190,808	19.46%	24,140,037	8.78%	21,193,542	-12.21%	20,362,575	-3.92%

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