



# Report Highlights

## Department of Revenue

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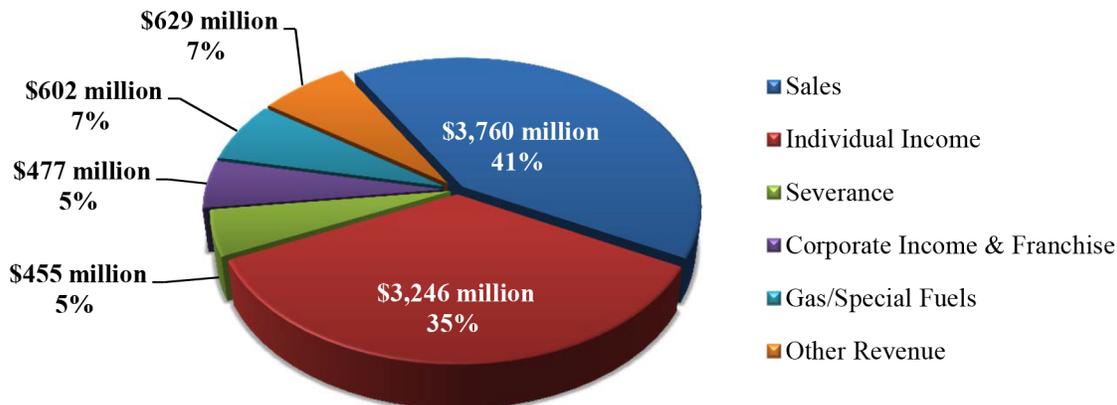
### Why We Conducted This Audit

We performed certain procedures at the Louisiana Department of Revenue (LDR) as a part of the Comprehensive Annual Financial Report (CAFR) of the State of Louisiana, and to evaluate LDR's accountability over public funds for the period July 1, 2017, through June 30, 2018.

### What We Found

- LDR incorrectly reported net receivables and the estimated amount of protested taxes to be transferred to the general fund in its 2018 Annual Fiscal Report (AFR), which is used by the Division of Administration (DOA), Office of Statewide Reporting and Accounting Policy (OSRAP) to compile the State of Louisiana's Comprehensive Annual Financial Report (CAFR). Net receivables were overstated by \$31.1 million and protested taxes to be transferred to the general fund were overstated by \$25.8 million.
- We determined that management has resolved the prior-year finding related to Ineffective Controls over Severance Tax Collections and Refunds. The prior-year finding related to Overpayment of Sales Tax Distributions to Local Government will not be repeated because LDR revised the agreement to match the calculation method that has been done in years past.
- We also prepared an analysis of fiscal year 2018 tax revenue collections. The majority of revenues collected by LDR, 76% of total tax revenues, is composed of Individual Income tax and Sales tax.

**Fiscal Year 2018 Collections (in millions)**



Source: Fiscal Year 2018 Department of Revenue Annual Fiscal Report

View the full report, including management's response, at [www.la.gov](http://www.la.gov).