



# Sales & Use Tax Proposals

**LA Uniform Local Sales Tax  
Board**

**LA Sales Tax Commission for  
Remote Sellers**





# Two Primary Objectives

- **LA Uniform Local Sales Tax Board**
  - To provide uniformity and efficiency in the collection and administration of local sales and use taxes
- **LA Sales and Use Tax Commission for Remote Sellers**
  - To position Louisiana to collect state and local sales taxes on internet purchases should current prohibition be removed



# Uniform Local Sales Tax Board

- Create as a political subdivision of the State of Louisiana
- Governance – Eight Members:
  - Two members appointed by the LSBA
  - Two members appointed by the LPJA
  - Two members appointed by the LMA
  - Two members appointed by the LSA



# Uniform Local Sales Tax Board

- Each association shall appoint one active tax administrator, the remaining appointee shall be the executive director or his designee
- Employ executive director and staff as necessary
- Domiciled in Baton Rouge, but could meet and conduct business elsewhere in LA as determined



# Duties of ULSTB

- Issue policy advice and support to local sales tax administrators
- Adopt uniform forms and model procedures for local sales and use tax collection
- Serve as SME in development of local tax collection software designed to promote single tax collector concept
- Promulgate rules and regulations pursuant to LA RS 47:337:94



# Duties of ULSTB

- Issue PLR to provide guidance on local sales and use tax issues to taxpayers
- Promulgate rules and forms for a uniform VDA program for taxpayers having a liability to multiple local collectors
- Promulgate rules and standard uniform refund request forms for the centralized filing of multi-parish refund claims



# Duties of ULSTB

- Create a coordinated multi-parish sales/use tax audit process
- Enter into voluntary joint service agreements with local collectors, i.e. multi-parish audits; LA Sales and Use Tax Commission for performance of duties (fee for service basis)
- Consult with LDR regarding distribution of state sales and use taxes collected via LA R.S. 47:302(k)



# ULSTB Funding

- A monthly fee, equal to expenses, not to exceed one-half of one percent of the local sales tax on motor vehicles
  - Year 1: 1/5 of 1% of collections (~\$720K)
  - Year 2: 1/3 of 1% of collections (~\$1,150,000)
  - Year 3 and subsequent: 1/2 of 1% percent of collections (~\$1,800,000)
- Annual reconciliation to local collectors



# LA Sales and Use Tax Commission for Remote Sellers

- Established within the LA Department of Revenue
- Governance - Eight Members:
  - Secretary of Louisiana Department of Revenue
  - Three members of LDR appointed by Secretary
  - Four active local tax administrators (from ULSTB)
- **Executive Director** (from ULSTB, subject to Commission approval, ex-officio)



# LA Sales and Use Tax Commission for Remote Sellers – Duties

- Serves as the single sales tax collector for remote sellers only (Marketplace Fairness Act)
- Promote uniformity and simplicity in compliance
- Develop and maintain state and local tax rates tables



# LA Sales and Use Tax Commission for Remote Sellers – Duties

- Provide electronic filing and remittance system for sales tax collected
- Develop and maintain taxability matrix for use of remote sellers
- Develop and maintain software to calculate sales & use tax due on each transaction



# LA Sales and Use Tax Commission for Remote Sellers – Duties

- Establish fiscal agent solely for remote sellers
- Procedure to approve Certified Software Providers
- Remit collections, less refunds and fees, monthly on or before the 10<sup>th</sup> business day of the month following collection to the appropriate single parish tax collector



# LA Sales and Use Tax Commission for Remote Sellers – Prohibitions

- Limit the right of locals to levy and collect their sales tax
- Exercise any right or perform any function presently exercised by local tax authorities
- Create, repeal, or amend any local exemptions or exclusions, local tax or Uniform Local Sales Tax Code
- Grant Local Tax Amnesty



# LA Sales and Use Tax Commission for Remote Sellers – Prohibitions

- Promulgate rules, regulations, private letter rulings inconsistent to Louisiana Constitution, statutes, jurisprudence
- Make Louisiana a member of the Streamlined Sales and Use Tax Agreement
- Authorize the Commission to serve as a single state collection agency for local sales taxes
- Limit local authorities to collect sales tax on non-remote sales



# LA Sales and Use Tax Commission for Remote Sellers – Funding

- Funded by a fee equal to actual expenses incurred not to exceed 1% of the amount collected pursuant to the state and local sales tax on remote sales as collected by the Commission

