

RULE

Department of Revenue Policy Services Division

Electronic Funds Transfer (LAC 61:I.4910)

Under the authority of R.S. 47:1511 and 47:1519 and in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq., the Department of Revenue, Policy Services Division, has amended LAC 61:I.4910 to implement changes to the electronic funds transfer requirement threshold enacted by Acts 2003, No. 112.

Act 112 amended R.S. 47:1519 to reduce the electronic funds transfer payment requirement threshold for tax payments incrementally from \$20,000 to \$15,000 beginning January 1, 2004; from \$15,000 to \$10,000 beginning January 1, 2006; and from \$10,000 to \$5,000 beginning January 1, 2008, and provide that electronic fund transfers delivered after the payment's due date will be considered timely if the transfer was initiated on the due date.

Title 61

REVENUE AND TAXATION

Part I. Taxes Collected and Administered by the Secretary of Revenue

Chapter 49. Tax Collection

§4910. Electronic Funds Transfer

A. Electronic Funds Transfer Requirements

1. For taxable periods beginning on or after January 1, 2004, taxpayers are required to remit their tax payments by electronic funds transfer under any of the following circumstances:

a. the payments made in connection with the filing of any business tax return or report averaged, during the prior 12-month period, more than \$15,000 per reporting period; or

b. any business tax return or report is filed more frequently than monthly and the average total payments during the prior 12-month period were more than \$15,000 per month; or

c. any company who files withholding tax returns and payments on behalf of other taxpayers and payments during the previous 12-month period averaged more than \$15,000 per month for all tax returns filed.

2. For taxable periods beginning on or after January 1, 2006, taxpayers are required to remit their tax payments by electronic funds transfer under any of the following circumstances:

a. the payments made in connection with the filing of any business tax return or report averaged, during the prior 12-month period, more than \$10,000 per reporting period; or

b. any business tax return or report is filed more frequently than monthly and the average total payments during the prior 12-month period were more than \$10,000 per month; or

c. any company who files withholding tax returns and payments on behalf of other taxpayers and payments during the previous 12-month period averaged more than \$10,000 per month for all tax returns filed.

3. For taxable periods beginning on or after January 1, 2008, taxpayers are required to remit their tax payments by

electronic funds transfer under any of the following circumstances:

a. the payments made in connection with the filing of any business tax return or report averaged, during the prior 12-month period, more than \$5,000 per reporting period; or

b. any business tax return or report is filed more frequently than monthly and the average total payments during the prior 12-month period were more than \$5,000 per month; or

c. any company who files withholding tax returns and payments on behalf of other taxpayers and payments during the previous 12-month period averaged more than \$5,000 per month for all tax returns filed.

4. Any taxpayer may voluntarily remit amounts due by electronic funds transfer with the approval of the secretary. After requesting to electronically transfer tax payments, the taxpayer must continue to do so for a period of at least 12 months.

B. ...

C. Taxes Required to be Electronically Transferred. Tax payments required to be electronically transferred may include corporation income and franchise taxes including declaration payments; income tax withholding; sales and use taxes; severance taxes; excise taxes; and any other tax or fee administered or collected by the Department of Revenue except for individual income tax. A separate transfer shall be made for each return.

D. - D.3. ...

E. Failure to Timely Transfer Electronically

1. Remittances transmitted electronically are considered timely paid if the payment transaction's confirmation time and date stamp is on or before the due date. However, if the payment is not timely paid, the date of receipt by the secretary will govern for purposes of determining the amount of any late payment penalties.

2. Failure to make payment or remittance in immediately available funds in a timely manner, or failure to provide such evidence of payment or remittance in a timely manner, shall subject the affected taxpayer or obligee to penalty, interest, and loss of applicable discount, as provided by state law for delinquent or deficient tax, fee or obligation payments. If payment is timely made in other than immediately available funds, penalty, interest, and loss of applicable discount shall be added to the amount due from the due date of the tax, fee or obligation payment to the date that funds from the tax, fee, or obligation payment subsequently becomes available to the state.

3. When the statutory filing deadline, without regard to extensions, falls on a Saturday, Sunday, or Federal Reserve holiday, the payments must be electronically transferred by the next business day.

4. If a taxpayer has made a good faith attempt and exercises due diligence in initiating a payment under the provisions of R.S. 47:1519 and this Rule, but because of unexpected problems arising at financial institutions, Federal Reserve facilities, the automated clearinghouse system, or state agencies, the payment is not timely received, the delinquent penalty may be waived as provided by R.S. 47:1603. Before a waiver will be considered, taxpayers must furnish the department with documentation proving that due diligence was exercised and that the delay was clearly beyond their control.

5. Tax return must be filed.

a. A tax return or report must be filed separately from the electronic transmission of the remittance.

b. Exception. Payments remitted by electronic funds transfer for income tax withholding will be accepted in lieu of a withholding tax return, Form L-1, and a separate return is not required to be filed.

c. Failure to timely file a tax return or report shall subject the affected taxpayer or obligee to penalty, interest, and loss of applicable discount, as provided by state law.

6. In situations involving extenuating circumstances as set forth in writing by the taxpayer and deemed reasonable by the secretary of the Department of Revenue, the secretary may grant an exception to the requirement to transmit funds electronically.

AUTHORITY NOTE: Promulgated in accordance with R.S. 47:1519.

HISTORICAL NOTE: Promulgated by the Department of Revenue and Taxation, Office of the Secretary, LR 19:1032 (August 1993), repromulgated LR 19:1340 (October 1993), amended LR 20:672 (June 1994), LR 23:448 (April 1997), amended by the Department of Revenue, Office of the Secretary, LR 25:2442 (December 1999), LR 28:866 (April 2002), amended by the Department of Revenue, Policy Services Division, LR 29:0000 (December 2003).

Cynthia Bridges
Secretary

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