



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
- 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, 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

- If necessary, establish fiscal agent solely for remote sellers
- Procedure to approve Certified Software Providers
- Remit collections, less refunds and fees, monthly on or before the 10th 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



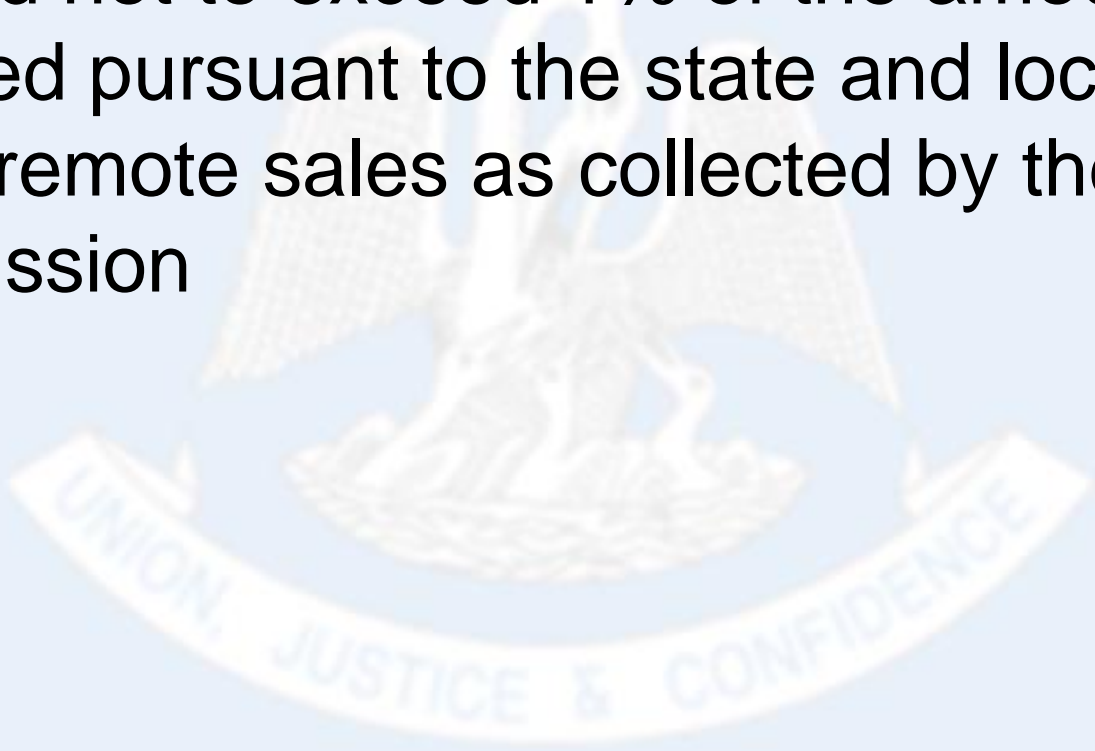
LA Sales and Use Tax Commission for Remote Sellers – Prohibitions

- 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





Thank You!

