

LOUISIANA SALES AND USE TAX COMMISSION FOR REMOTE SELLERS

Minutes of December 16, 2021 Meeting

- I. **Call to Order/Roll Call** - The meeting of the Louisiana Sales and Use Tax Commission for Remote Sellers was called to order at 11:05 AM by Chairman LaGrange. A quorum was established with six members in attendance initially. Members present were:
1. Jeffery LaGrange (LULSTB)
 2. Danielle Clapinski (LDR)
 3. Darlene Allen (LDR)
 4. Kelli Jumper (LDR)
 5. Shawn McManus (LULSTB)
 6. Kressy Krennerich (LULSTB)
 7. Kimberly Lewis (Ms. Lewis arrived at 11:20 am and joined the meeting.)
- II. **Approval of Meeting Minutes from November 18, 2021**
- A motion was made to approve the meeting minutes from the meeting on November 18, 2021 by Mr. McManus, and seconded by Ms. Allen. Following a vote and a call for public discussion, the minutes were approved unanimously by the members present with one change noted by Ms. Allen on page 3 correcting the name of the Uniform Local Electronic Return and Remittance System – Advisory Committee.
- III. **Update on Direct Marketer/Remote Seller Registrations by LDR**
- Ms. Jumper reported that there are currently 4,972 active remote seller registrations with the Commission.
 - Ms. Jumper also reported that there are currently 1,957 active direct marketer registrations with the Department.
- IV. **Report from Executive Director**
- A. **Distribution Report**
- Ms. Roberie provided a report and updated members on collections to date. In November, the Commission collected \$31,650,298.85 for the month of October with 3,312 returns filed. \$31,333,795.73 was distributed to the state and local collectors.
 - Ms. Roberie also reported that the distribution of the unspent 1% collection fee for FY 2020-21 was sent out on 11/17/2021 in the amount of \$2,146,233.02.

B. Budget

- Ms. Roberie reported the Profit and Loss Budget vs Actual Report for the period of July 1, 2021 through November 31, 2021. The report presented showed the \$121,856,724.06 in collections for the year to date, the 1% retained for administrative expenses of \$1,218,569.19 and with total expenses paid or incurred of \$260,489.64. Expenses for the year to date are lower than what was budgeted but that was expected as not all expenses incurred are reflected because of billing delays and because we have not begun to incur the expenses for additional staff, office space and technology services.
- Ms. Roberie also provided the Commission members with a copy of the Annual Financial Report that has been submitted to the Office of Statewide Reporting and Accounting Policy (OSRAP).
- Ms. Roberie also provided an update of the progress of the lease request to the Office of State Buildings, the move from LDR's servers to separate servers and the eventual separation from the state's payroll system. These are all in progress but final dates for the moves have not been set yet.

V. Discussion Items:

A. Avenu Change Order 127944-45 – Adding ability to opt out of Vendor's Compensation for the State Return

- This change request was developed in response to an issue raised by Ms. Allen at the last RSC meeting. This change request would allow taxpayers that are going to exceed the vendor's compensation cap on the state return to opt out of vendor's compensation. The cost of this change request would be \$8,580.00. The system currently automatically implements the cap for remote sellers with one location. At this time, we have not identified any remote sellers filing separate returns for multiple locations that would need the ability to manually opt out of vendor's compensation.
- Commission members discussed putting this change request to the side until we have identified a need to implement this option.

VI. Action Items:

A. Penalty Waiver Policy

- Ms. Roberie presented the Penalty Waiver Policy with the comments that had been submitted at the November 18, 2021 Commission meeting. It was agreed to clarify to the language in D (e) so that it is clear it refers to two separate penalties. In addition, it was agreed to make sure the language in F (c) mirrors the language in F (b) regarding "written informal advice". A motion was made by Ms. Krennerich to accept the policy with the changes discussed. Ms. Allen

seconded the motion. After no further discussion or public comment, the motion was approved unanimously by the members present.

B. Voluntary Disclosure Program

- Ms. Roberie presented the draft regulations for the RSC Voluntary Disclosure Agreements program and explained the process of the regulation approval. Once the Commission approves the draft regulations, the draft is submitted to the Legislative Fiscal Office and begins the procedures of public advertisement, public hearings, and legislative hearings to approve the regulations. This process will take approximately four months.
- After a discussion where Commission members discussed clarification of language in E.1, F.2, and G.1, it was proposed to table action on these regulations until the next RSC meeting when a draft of the regulations with the proposed changes could be presented. After a call for public discussion, the Commission members voted unanimously to table action until the next RSC meeting.

VII. Other Business

- None

VIII. Public Comment

- No additional public comment.

IX. Adjournment

- With a motion by Mr. McManus and a second by Ms. Krennerich, Chairperson Lagrange declared the meeting adjourned at approximately 11:39 AM.