

# LOUISIANA SALES AND USE TAX COMMISSION FOR REMOTE SELLERS

## Minutes of January 14, 2020 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 11:02 AM by Chairman Allen. A quorum was established with all eight members in attendance. Members present were:
1. Darlene Allen (LDR)
  2. Jeffery LaGrange (LULSTB)
  3. Kimberly Robinson (LDR)
  4. Kressynda Krennerich (LULSTB)
  5. Kelli Jumper (LDR)
  6. Danielle Clapinski (LDR)
  7. Amanda Granier (LULSTB)
  8. Shawn McManus (LULSTB)
- II. **Approval of Meeting Minutes from December 17, 2020**
- After review of the minutes, a motion was made to approve the meeting minutes from the meetings of December 17, 2020 by Mr. McManus, and seconded by Ms. Jumper. The minutes were unanimously approved without corrections.
- III. **Update on Direct Marketer/Remote Seller Registrations by LDR**
- Ms. Jumper reported that there are currently 2,309 active remote seller registrations with the Commission.
  - Ms. Jumper also reported that there are currently 2,223 active direct marketer registrations with the Department.
- IV. **Discussion Items:**
- A. **System Change Request (CR-1675) to split payment into tax/interest/penalty buckets**
- A system change request was submitted by Avenu by request of the Commission to equitably allocate tax, interest, and penalty payments received on returns filed by remote sellers, and to provide reports to local administrators showing payments for each of these categories after monthly distribution is complete. Ms. Krennerich mentioned that this will also be for and applied to any partial payments received and that payments will be applied to tax, interest and then penalty. The turnaround will be 7-8 weeks.
  - Mr. McManus inquired about whether the Commission's system is a stand-alone system and where it is housed. Ms. Allen answered that the system is a

stand-alone system and it is housed by the developer, Avenu. It is unique to the Commission.

- With no further discussion, Ms. Granier made a motion to approve the change request. The motion was seconded by Ms. Allen and with no objection, the motion passed.
- Ms. Allen asked if anyone else has any area where improvement can be added to the system to please submit to the Commission for consideration.

**B. Handling Refund Claims Received**

- The Commission has received its first refund claim, which stems from the State sales tax holiday as well as one parish, held in November. The notice was delayed and the system was not updated in time to calculate the correct rate. The system was not built to issue refunds to individuals so they are encouraged to request the refund from the dealer first. Ms. Allen stated that the policy working group will be working to develop a policy to handle future refund claims received by the Commission.

**C. Responses Received for Legal Services Contract**

- The Commission has received six responses for a legal services contract. Chairman Allen inquired as to the need for members to enter into executive session to discuss. Ms. Robinson stated that prior notice would have had to been given to those persons being discussed. Ms. Karen White, from the public, also gave comments as to the requirements to enter into executive session. Ms. Allen decided to defer this item to a later meeting. Mr. McManus offered a motion to defer this topic to a future meeting. Ms. Krennerich seconded and with no opposition, the motion was passed to defer this item for a later meeting. Ms. Granier added that there may be a special meeting to further consider.
- During public comment, Matt Mantle of Jones Walker LLP asked if the Commission would share the names of those who submitted responses. Ms. Roberie gave the names as Patrick Amedee, Chris Jones, Andrew Kolb, John Weiler and April Watson. Ms. Roberie stated that the sixth attorney asked that his name be withdrawn from consideration prior to the Commission meeting.

**D. Execution of a Reciprocal agreement between the Commission and LDR**

- Chairwoman Allen stated that the Commission is looking to execute an agreement with LDR as to the sharing of information with regard to transition, registration and filing history in both systems. Ms. Krennerich stated that when MOUs with the collectors were executed, they also included a reciprocal agreement so would this one be similar to those agreements. Ms. Allen answered, yes. Mr. McManus inquired as to whether members would receive an advance copy of the agreement in advance of the meeting to review. Ms. Allen answered, yes.

**V. Action Items:**

**A. Approve System Change Request (CR-1675)**

- Chairman Allen confirmed that this was approved when discussed by members as a discussion item on the agenda. Ms. Thomas confirmed.

**VI. Report from Executive Director**

**A. Distribution Report**

- Ms. Roberie provided a report and updated members on collections to date. The Commission collected \$27,761,459.91 for the month of November with 1,395 returns filed. \$27,483,845.43 will be distributed to the state and local collectors. Total Commission collections to date are \$115,194,909.54 with \$114,042,959.97 having been distributed to state and local collectors.
- The system is averaging about 200 new accounts per month.

**B. Budget**

- Ms. Roberie is continuing to work on understanding and establishing the Commission's costs and getting the accounting system set up. Commission is waiting on a memo from LDR with regard to outstanding salary costs as well as the change requests that have been approved by the Commission.

**VII. Other Business**

- Mr. LaGrange provided an update on the Policy Work Group. Mr. LaGrange stated that there is one new member on the work group, Ms. Clapinski. Will provide an update at the next meeting.
- Ms. Krennerich provided an update on the BTA Funding Proposal survey sent to local collectors. In response to the survey sent by LATA, the overall response was yes to contributing collections to the BTA system. Local collectors also requested that the funding come from the Uniform Local Sales Tax Board, not the Commission. Ms. Allen added that the Dept. of Revenue would also pay a portion to fund the system.

**VIII. Public Comment**

- Matt Mantle asked about the public having input and participate in the work of the policy work group. Ms. Allen replied that the work is being done internally at this time. Public input may be considered at a later date.
- Karen White expressed compliments to Ms. Allen for her service as the Chair of the Commission.

**IX. Adjournment**

- With a motion by Ms. Granier and second by Ms. Krennerich, Chairman Allen declared the meeting adjourned at approximately 11:34 AM.