

Remote Sellers Information Bulletin

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Guidance on Collection and Remittance Requirements for Louisiana Merchants making Marketplace Sales and Direct Sales

The purpose of this bulletin is to provide guidance to Louisiana merchants making sales through marketplace facilitators as well as direct sales to consumers and the associated collection and remittance requirements.

Louisiana Merchants Selling Through a Marketplace Facilitator

Louisiana merchants offering tangible personal property or services for sale via a marketplace that is controlled, owned or operated by a marketplace facilitator are considered *marketplace sellers* according to La. R.S. 47:340.1(A)(5). Marketplace facilitators are persons facilitating sales of marketplace sellers by offering the marketplace seller's tangible personal property or services for sale, or by collecting payment for the sales and transmitting all or part of the payment to the marketplace seller.

La. R.S. 47:340.1(B) establishes the marketplace facilitator is the dealer responsible for sales tax collection and remittance for all remote sales occurring via the marketplace. Remote sales are sales made by a remote seller lacking physical presence *or* a sale facilitated by a marketplace facilitator. For this reason, a Louisiana merchant who makes sales via a marketplace facilitator is making remote sales. These remote sales allow the Louisiana merchant/marketplace seller to rely on the marketplace facilitator to collect and remit sales taxes to the Louisiana Sales and Use Tax Commission for Remote Sellers (the "Commission") on their behalf.

All marketplace facilitators are required to collect and remit sales taxes to the Commission on behalf of all of their marketplace sellers, including those marketplace sellers located in Louisiana. The marketplace seller having a physical presence in Louisiana does not prevent their sales via a marketplace facilitator from being considered "remote sales." Along with a collection and remittance requirement, the marketplace facilitator is required to maintain all related documentation such as exemption certificates and information from the marketplace seller to determine the taxability of sales facilitated.

In the event the marketplace facilitator has a physical presence in Louisiana, the guidance previously stated is still applicable. A marketplace facilitator is not required to operate or have a presence outside of Louisiana. Sales occurring on a marketplace that are facilitated by a marketplace facilitator are remote sales, requiring sales tax to be remitted to the Commission.

Louisiana Merchants Making Direct Sales and Sales Through a Marketplace Facilitator

As stated above, Louisiana merchants making sales through a marketplace facilitator may rely on the marketplace facilitator to collect and remit state and local sales taxes to the Commission. There may be instances when a Louisiana merchant sells through a marketplace facilitator and still continues to make direct sales to consumers throughout the state of Louisiana. Louisiana merchants making direct sales that do not occur via a marketplace are responsible for collecting and remitting state and local sales tax as the dealer for those direct transactions according to La. R.S. 47:303. Being deemed a remote seller due to the use of a marketplace facilitator does not mean *all* sales of a Louisiana merchant are remote sales.