

LOUISIANA

DEPARTMENT *of* REVENUE

2014 Regular Legislative Session Summary

Policy Services Division

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Administrative

Act 161 [R.S. 44:4(48)] provides a public records exemption for confidential or privileged tax information in the possession of the Board of Tax Appeals and for any internal correspondence among the Board's members and staff pertaining to discussion of a case being adjudicated by the board. Effective August 1, 2014.

Act 198 [R.S. 47:15(14), 114(F)(3), 287.614(C) and (D)(3), 295(C), 299.9, 299.39, 1407(1), 1408, 1409, 1414(C), 1416, 1433 through 1435, 1438, 1486, 1508.1(B), 1561, 1565(C)(3), 1574(introductory paragraph) and (5), 1576(A)(1) and (2), (C), and (E), 1578(B)(2), (3), and (4)(a)(introductory paragraph), 1603(A), and 1688] provides generally with respect to enforcement and adjudication of taxes, fees, and penalties collectable by the Department of Revenue, including the administration, jurisdiction, and procedures of the Board of Tax Appeals.

- a) The Act changes thresholds for approval by the board as follows:
 - (1) Penalty for failure to file an annual tax return by a person who withholds wages for purposes of individual income tax, from \$5,000 to \$25,000.
 - (2) Penalties generally with regard to income tax, from all waivers to waivers in excess of \$25,000.
 - (3) Penalties generally with regard to delinquent filing or delinquent payment of any tax subject to collection by the department under certain circumstances, from \$5,000 to \$25,000.
 - (4) Cancellation of a lien, privilege, or mortgage under certain circumstances, from board approval for all to no board approval.
- b) Allows the taxpayer to file an amended tax return rather than a statement, and increases the time from the date of the federal adjustment for the filing of the amended state tax return from 60 days to 180 days.
- c) Restricts the use of expedited summary court proceedings to the following instances:
 - (1) The proceeding is for collection of a tax assessment that has become final or is for an assessment of a tax that is shown on the face of a tax return, or an assessment and claim in a bankruptcy or receivership proceeding.
 - (2) A jeopardy assessment that has been or could be issued against a defendant.
 - (3) A rule to cease business has been or is concurrently brought against the defendant.
 - (4) The matter involves the special authority to enforce collection of taxes where a corporation, limited liability company, or limited partnership fails to file a return or remit income taxes withheld from the wages of its employees.
- d) Authorizes the filing of a petition with the board as an option for a taxpayer who pays under protest and seeks to recover their payment.
- e) Authorizes the secretary to promulgate rules and regulations in accordance with the Administrative Procedure Act concerning the waiver of penalties, including the establishment of a voluntary disclosure program.
- f) Authorizes the board to compel written discovery.
- g) Allows the board to assign a single board member to serve as a hearing officer for a case and report back to the entire board regarding the law at issue in the proceeding.

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- h) The board's decisions, orders, and judgments are to be published. However, the board's internal deliberative communications on its cases are to be considered judicial proceedings for purposes of present law governing public records.
- i) Authorizes the board and the secretary to enter into an agreement for a fixed annual interagency transfer to the board as payment in lieu of filing fees owed by the secretary for cases heard by the board.
- j) Allows a limitation on the requirement for the posting of a bond to exclude from such requirement, any taxpayer who has paid under protest. The nature of the bond and procedures for posting bond shall be consistent with those required for a suspensive appeal in a civil matter under the Code of Civil Procedure.
- k) The time and notice for the initial filing of the appeal, and rules governing the briefing and answering of the appeal shall be the same as provided for in civil matters under the Code of Civil Procedure and all applicable court rules.
- l) Authorizes the respective court of appeal to exercise supervisory jurisdiction over a case pending before the board in the same manner as provided for in a civil matter pending in a district court within its circuit.
- m) Authorizes the appellate court to order that a case be immediately transferred to a district court to consider issues of constitutionality.
- n) A decision of the board becomes final under the following two circumstances:
 - (1) if the decision is not appealed within 30 days, or
 - (2) if it is timely appealed, then the decision of the appellate court is final under the same rules and timing as is provided for in civil matters under the Code of Civil Procedure.
- o) A party no longer has to petition the legislature for permission to appeal a decision of the board in a claim against the state proceeding. Instead a suit on a claim against the state is authorized if a cause of action is otherwise allowed by law.

Effective July 1, 2014

Act 204 [R.S. 36:8.1] requires the head of each agency to make and publish an annual report to the legislature containing a list of all civil actions brought in a court of law by the agency as a named party plaintiff. The annual report covers all lawsuits instituted, pending, or concluded during the preceding calendar year. Also requires the filing of a quarterly report that lists all civil actions filed by an agency since the last report and must contain a uniform resource locator (URL) link to the petition, and requires the agency to maintain the URL for a minimum of one year. The annual report does not include cases brought to collect less than \$10,000 of state taxes. Effective July 1, 2014.

Act 401 [R.S. 49:974] requires rulemaking agencies to provide information on their Internet website regarding fee and rulemaking actions including a description of the rule to be adopted, amended or repealed, the full text of the current rule, a copy of the proposed rule, the anticipated effective date, a copy of the notice of intent, a copy of the report submitted to the agencies legislative oversight committees, and a copy of the any report the agency receives from its oversight committees. A link to the information must be provided on the agency's home page and the information must be maintained on the agency's website for at least a year. The new requirements are effective January 1, 2015. Beginning May 30, 2014, rulemaking agencies are required to take reasonable action necessary to begin Internet publication of this information by January 1, 2015.

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Act 412 [R.S. 47:1621(D)(1)] provides for the payment methods for refunds of overpayments of individual income tax. Effective June 4, 2014 for all taxable years beginning on or after January 1, 2014.

Act 415 [R.S. 47:306(E)] allows the commissioner of motor vehicles, instead of the secretary of the Department of Revenue, to extend the time for dealer to remit taxes due upon the sale of a motor vehicle for a period not to exceeds 90 days and to waive penalties on the payment of taxes by a licensed vehicle dealer who remits the taxes later than forty days. Effective August 1, 2014.

Act 560 [R.S. 47:1621(D)(1)] requires the Department of Revenue to allow no less than twelve months to activate debit cards for the payment of tax refunds. Effective June 9, 2014 for all taxable years beginning on or after January 1, 2014.

Act 640 [R.S. 36:801.1(A) and R.S. 47:302(K)(6) and (7), 337.2(D), 337.45(A)(1) and (B), 337.48(A), 337.51(A), (B), and (C)(2), 337.53(C), 337.54,337.63(A)(1) and (2), (B), and (D), 337.67(B)(3), (C)(3), and (D)(2), 337.77(F), 337.81(A)(2) and (C), 337.86(E)(2)(a), 337.101(A)(2)(a), 1401, 1402, 1403(A) and (B), 1406, 1410, 1413, 1431, 1432, 1436, 1437, and 1451, and R.S. 49:968(B)(9), R.S. 36:53(J) and R.S. 47:337.2(A)(1)(c), 337.77(G), 337.81.1, 337.86(E)(1)(d), 1407(3), 1414(E), 1417, and 1418, and to repeal R.S. 36:4(B)(1)(p) and R.S. 47:337.51.1 and 337.101(A)(2)(c), (B), and (C)]

- a) Transfers the Board of Tax Appeals from the Executive Department to the Department of State Civil Service as an independent quasi-judicial agency.
- b) Adds Jurisdiction for certain disputes between taxpayers or dealers and local sales and use tax collectors.
- c) Requires the governor to appoint attorneys as board members, and requires that at least two members have tax law experience. On or before Aug. 1, 2014, one of the three members shall be selected from a list of up to three nominees provided by a nominating committee established by proposed law. The term of this member expires Feb. 1, 2020, with subsequent appointments for a fixed term of six years. On or before Sept. 1, 2014, the remaining two members shall be appointed, one with a term expiring Feb. 1, 2016, and one with a term expiring Feb. 1, 2018. Subsequent appointments for these members shall be for either a fixed term of four years or for the remainder of an unexpired term.
- d) Establishes the Local Tax Division Nominating Committee for purposes of developing a list of one to three nominees to be considered by the governor for board membership for the appointment to be made on or before Aug. 1, 2014. Proposed law provides for the membership and function of the committee, which is composed of representatives of various local government and business interests.
- e) Requires a board member to serve until the appointment of a successor. The removal of a member during an unexpired term of office shall be subject to judicial review. The Act provides procedures for the reappointment of board members.
- f) Sets the compensation of board members and prohibits the reduction of a member's compensation during their unexpired term of office. Extra compensation shall be paid to the board member who serves as the hearing judge for the Local Tax Division, and that compensation shall be initially set at the same rate as is paid by the state for a part-time city court judge.

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- g) Establishes the terms of office of members serving on the board on the effective date of the Act and authorizes the reappointment of existing board members without confirmation from the Senate.
- h) Authorizes board hearings by telephone, video conference, or similar communication equipment if the case involves a state collector and such a hearing is requested by the taxpayer, or with the consent of all parties. For a matter involving only local taxing authorities in a single parish and upon the motion of the local collector, a hearing may be held in that parish at the facilities of a local court. Expenses for such a hearing may be taxed as costs.
- i) The board member appointed at the recommendation of the Local Tax Division Nominating Committee shall be the hearing judge for cases designated for hearing in the Local Tax Division.
- j) Establishes procedures for the designation of cases for hearing in the Local Tax Division and authorizes a local collector to elect by affidavit to have all cases involving that collector be heard in the Local Tax Division.
- k) Establishes procedures and requirements for the filing of petitions and issuance of notices and decisions with respect to hearings for the redetermination of an assessment, consideration of a payment under protest petition, determination of an overpayment, or appeal of a denial of or inaction on a refund claim.
- l) The board is prohibited from ruling on the constitutionality of a statute or ordinance, and proposed law provides the procedures for the transfer of cases to the applicable district court.
- m) Adds a requirement for the issuance of written reasons for judgment upon the request of any party. All written reasons shall be published on the board's website.
- n) Adds an exclusion from the board's jurisdiction for any review of a penalty waiver or other discretionary function of a local collector.
- o) Authorizes the voluntary recusal of a board member from any proceeding in which he cannot accord a fair and impartial hearing in the same manner as provided for judges by the Code of Civil Procedure and provides for procedures governing the instance where a party other than a board member requests the recusal of a board member.
- p) Authorizes the remainder of the board to adjudicate a case if a board member is recused, and provides that if all board members are recused then a retired judge may be appointed to adjudicate a case as an ad hoc judge for the board.
- q) Switches the appellate jurisdiction for decisions of the board from a district court to a court of appeal.
- r) Provides that the appeal in a local case shall be to the court of appeal for the parish of the local tax collector.
- s) Any rule related to a fee shall be subject to legislative and gubernatorial oversight and veto in accordance with the Administrative Procedure Act. The legislative oversight of rules promulgated by the board shall be performed by the House Committee on Ways and Means and the Senate Committee on Revenue and Fiscal Affairs.
- t) Provides that the self-generated revenues derived from the adjudication of local cases shall be expended only for the Local Tax Division, and that such monies shall not be subject to reversion to the state general fund at the end of the fiscal year.

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- u) Adds a requirement for an annual allocation of \$132,000 in tax proceeds to the board via interagency transfer from the Dept. of Revenue. This allocation shall be made prior to distribution of the remaining tax proceeds to local governments as provided in present law. Proposed law further specifies that the annual allocation for the board shall be increased by \$5,000 on July 1, 2015, and also on the first day of each of the four subsequent fiscal years when the amount distributed in the fiscal year immediately preceding that date exceeds the amount distributed in FY2014.
- v) Adds two members appointed by the La. Sheriff's Association to the sales and use tax commission.
- w) Grants Jurisdiction over local sales and use tax disputes and expands the board's jurisdiction to include questions of law and fact arising from disputes and controversies between a taxpayer or dealer and a collector of local sales and use tax. Requires the board shall interpret provisions of present law governing the assessment, collection, administration, and adjudication of local sales and use tax in the same manner as courts of La.
- x) Removes arbitration as a remedy for a taxpayer or dealer and provides for an appeal to the board for redetermination of an assessment or overpayment at issue, or a resolution of the dispute.
- y) Adds a prohibition on the appeal of an assessment to the board by a taxpayer who fails to file a return or report unless the tax was paid to another parish with a timely refund request.
- z) Adds a petition to the board as an optional additional legal remedy for the adjudication of such questions.
 - aa) Changes present law for the venue for such disputes from a district court to the board.
 - bb) Adds provisions for the filing of a pleading with the board by any party as means of interrupting prescription.
 - cc) Provides that an appeal pending before the board shall not delay the filing of an assessment for taxes owed by a taxpayer in bankruptcy.
 - dd) Grants authority for redetermination of the jeopardy assessment from a district court to the board.
 - ee) Establishes transitional provisions governing the disposition of cases pending before an arbitration panel, the transfers of cases between district courts and the board, appeals of decisions or judgments of the board, and certain cases filed with the board prior to Jan. 1, 2015.

With the exception of Section 10, Board Member nominations to governor and appointments thereafter which becomes operative on June 12, 2014, the Act is effective July 1, 2014.

Act 682 [R.S. 14:202.2 and R.S. 47:1508(B)(35)] provides for the crime of solar tax credit fraud with respect to the sale, installation, maintenance or repair of a solar electric or solar thermal system. Adds an exception to the confidentiality of taxpayer records authorizing the secretary of the Department of Revenue to disclose certain information to the office of the attorney general as to persons taking the tax credit. Effective June 18, 2014.

Act 734 [R.S. 47:1508(B)(11), 1508(B)(35)] allows the secretary, attorney general, and commissioner of the Louisiana Office of Alcohol and Tobacco Control (ATC) to share information received under R.S. 47:1508(B)(11) with the professional services firm or firms retained for the purpose of calculating

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the tobacco revenue owed to the state pursuant to the Master Settlement Agreement executed on November 23, 1998, as well as any subsequent agreements that may be executed pertaining to such agreement. The bill also provides for an exception to allow, in the discretion of the secretary, the sharing or furnishing of confidential tax information to ATC for the purposes of carrying out its administrative function of providing the state with an effective regulatory system for the alcoholic beverage and tobacco industries. Effective June 19, 2014.

Act 816 [R.S. 47:1676(C)(2)(a) and (D)(1) and (D)(4) and 9026] authorizes the office to utilize the offset of progressive slot machine annuities, cash gaming winnings, and lottery prize winnings in the collection of delinquent debt, to enter into an agreement with the Louisiana Casino Association on behalf of its member casinos to facilitate the development and implementation of a single-point inquiry system; member casinos are authorized to deduct an administrative fee from the gaming winning; member casinos are provided civil or criminal immunity for the disclosure of certain information or from any claims for damages arising from withholding or failing to withhold an offset; and delete references to certain political subdivisions within the authority of the office of debt recovery. Effective August 1, 2014.

Act 822 [Section 3.(C), (G), (I), (M)and (N) and Section 4.(A) and (B)(1) of Act No. 421 of the 2013 Regular Session of the Legislature] authorizes the 2014 and 2015 Amnesty Program.

- a) A Taxpayers with a final judgment in accordance with R.S. 47:1565 or 1568 rendered by a court or who has exhausted all his rights to protest taxes owed to the state pursuant to such statutes ninety days prior to either the 2014 or 2015 amnesty period, and who then fails to submit an amnesty application before the end of the applicable amnesty period ninety days prior to which the final judgment was rendered or ninety days prior to which his rights to protest taxes have been exhausted, shall be subject to double penalties.
- b) For 2014 if approved, the secretary shall waive all of the penalties associated with the tax periods for which amnesty is applied, and fifty percent of the interest shall be waived.
- c) For 2015 if approved, the secretary shall waive thirty-three percent of all of the penalties associated with the tax periods for which amnesty is applied, and seventeen percent of the interest shall be waived Tax credits will not be accepted as a form of payment.
- d) Installment agreements are allowed but not for taxpayers involved in a field audit or litigation. Requires complete and timely payments of all installment payments. All installment agreements approved by the secretary shall require the taxpayer to provide a down payment of no less than twenty percent of the total amount of delinquent tax, penalty, interest, and fees owed to the department at the time the installment agreement is approved by the secretary. Additionally, every installment agreement shall include fixed, equal, monthly payments that shall not extend for more than six months. All installments payments shall be received no later than May 1st of the applicable amnesty period.
- e) Taxpayers seeking to enter into installment agreements must do so by way of automated electronic draft from an account by which the taxpayer is authorized to remit payment.
- f) If a taxpayer fails to fulfill his obligation under an the installment agreement, the taxpayer shall be obligated to pay the entirety of the delinquent tax, along with the applicable interest, penalties and fees.

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- g) A taxpayer has an existing installment agreement with the department may be eligible to participate in an installment agreement under the amnesty program with approval by the Secretary. The original installment agreement shall be cancelled in favor of the installment agreement under amnesty.

Effective August 1, 2014.

Act 862 [R.S. 37:2156.3] requires the State Licensing Board for Contractors to provide testing specifically for solar installers. Effective August 1, 2014.

Alcohol and Tobacco Control

Act 12 [RS 26:76(A)(2), 276(A)(2), and 912(A)] provides that alcohol and tobacco permits are not transferrable, and that when the ownership of a business is transferred, the new owners must make application for a new permit. Effective May 7, 2014.

Act 18 [RS 26:351(2)(a), (4) and (9)] adds additional container sizes to those allowed for wine to be sold in or shipped into Louisiana and provides that the container sizes shall not pertain to cider. Effective August 1, 2014.

Act 57 [R.S. 26:2 and 71(A)(4)] defines “broker” in the alcoholic beverage laws and provides for the issuance of a permit. The permit fee is \$5.00. Effective August 1, 2014.

Act 69 [RS 26:86(A)(2), 98, 284(B), 295, and 919(A)] allows notices or summonses from the Office of Alcohol and Tobacco Control to be delivered to the applicant or permittee in person or sent certified to the mailing address given on the last application. Effective May 16, 2014.

Act 245 [RS 26:72(A), (C), and (D)] requires certain outlets that sell wine or malt beverages to obtain a permit, and provides for the definition of ‘wine’ and ‘malt beverages’ for the purposes of the permit. Effective May 28, 2014.

Act 278 [R.S. 26:901, 902(1), 905(B), 909(A)(2), 910, 910.1, 911(A), 917 (A) and (C), and 932(6)] prohibits the sale of sale of electronic cigarettes, alternative nicotine products and vapor pens to persons under age 18. Effective May 28, 2014.

Act 329 [R.S. 26:354(I), and 492(A) and 47:1471] authorizes the Secretary of the Department of Revenue instead of the Board of Tax Appeals to waive certain penalties associated with the payment of taxes on beverages of high and low alcoholic content; repeals the jurisdiction of the Board of Tax Appeals regarding certain alcoholic beverage permits. Effective July 1, 2014.

Act 357 [RS 236:90(A)(1)(a)(vi) and 286(A)(1)(a)(vi)] allows the use of identification cards issued from another state as acceptable identification for being sold or served alcoholic beverages. Effective August 1, 2014.

Act 688 [RS 26:351(2)(a), (3), (4), (9) and (10)] adds additional container sizes to those allowed for wine and distilled spirits to be sold or shipped into Louisiana, provided a definition of container, excluded cider from the container restrictions, and prohibited containers from containing powdered alcohol. Effective June 18, 2014.

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Act 777 [RS 26:71.1(a)(e) and 271.2(1)(e)] allows the issuance of a Class A-General liquor permit to a bona fide commercial film theater under certain circumstances. Effective July 1, 2014.

Act 835 [RS 26:75(C), 275(B), 352, 795(A)(1) and (5), and 932(4)(10)] authorizes the sampling of alcoholic beverages under a Special Event permit, authorizes the donation of alcoholic beverages to certain events and organizations subject to the payment of applicable excise taxes, and provides for certain types of temporary alcoholic beverage permits. Effective June 23, 2014.

Corporation Income and Franchise Taxes

Act 328 [R.S. 12:1-101-1-1704] enacts the "Business Corporations Act", modeled after the Model Business Corporations Act. Effective January 1, 2015.

Act 421 [R.S. 51:3121(C)(4)(c)] specifies the type of capitalized costs of manufacturing machinery and equipment included within the definition of "qualified capital expenditures" for purposes of the project facility expense rebate under the Competitive Projects Payroll Incentive Program. Effective July 1, 2014.

Act 623 [R.S. 47:1967(H)] provides that if the corporation income tax is repealed or reduced, the Louisiana Legislature is required to provide a commensurate level of ad valorem property tax relief to banks paying the local share tax under present law, and must identify a revenue source to meet the obligations of local governments to provide necessary services. Under current law, banks pay the local shares tax in lieu of the corporate income tax. Effective August 1, 2014.

Act 825 [R.S. 47:6019(A)(2)(c) and (3)(b)(i)(cc)] provides relative to the application fee for projects applying for the rehabilitation of historic structures tax credit applicable to nonresidential property. Changes the fee amount from \$250 per application to an amount to be determined by rule promulgated by the Department of Culture, Recreation, and Tourism in accordance with the Administrative Procedure Act (APA) and provides legislative oversight authority to the House Committee on Ways and Means and the Senate Committee on Revenue and Fiscal Affairs over Department of Culture, Recreation, and Tourism rules promulgated regarding the amount of the tax credit application fee. Adds a requirement for the payment of a tax credit transfer fee. The Department of Revenue is authorized to establish the amount of the fee by rule promulgated in accordance with the APA subject to oversight by the House Committee on Ways and Means and the Senate Committee on Revenue and Fiscal Affairs. Effective July 1, 2014.

Act 832 [R.S. 36:209(M)(2) and R.S. 25:1226.1(7), 1226.2, and 1226.4(B)(10)] abolishes the Atchafalaya Trace Heritage Area Development Zone Review Board. The Board evaluated the eligibility for income and corporation franchise tax credits for heritage-based cottage industries located in the Zone. No new credits were allowed after December 31, 2013, however taxpayers awarded the credits may still carryforward unused credits for the remainder of the 10-year carryforward period. Effective August 1, 2014.

Excise Taxes

Act 848 [RS 45:1177] changes the range for fees and exempts nonprofit water utility cooperatives or corporations wholly owned by water user members from pay the fees. Effective January 1, 2015.

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SCSR 2 requests the Senate Committee on Revenue and Fiscal Affairs and the House Committee on Ways and Means to meet and function as a joint committee to study the tax structure for compressed natural gas and all alternative fuels used in motor vehicles operated upon state highways.

Individual Income Tax

Act 31 [R.S. 47:120.231*] creates an individual income tax checkoff for The Louisiana Youth Leadership Seminar Corporation, also known as Hugh O'Brian Youth Leadership. Effective for taxable years beginning on or after January 1, 2015.

Act 93 [R.S. 36:259(Y) and 802.24 and R.S. 46:1721-1740] creates the ABLE Account Program, to be administered by the ABLE Account Authority, to encourage and assist individuals and families in saving private funds for the purpose of supporting persons with disabilities in endeavors to maintain health, independence, and quality of life. Deposits to ABLE accounts will be deductible for state income taxes to the same extent as deposits to Louisiana START accounts. Effective upon enactment of amendments to §529 of the federal Internal Revenue Code that establish tax-advantaged savings accounts for persons with disabilities as provided in the Achieving a Better Life Experience Act of 2013, or any Act of the U.S. Congress that is substantially similar.

Act 107 [R.S. 47:120.91] changes the Louisiana Chapter of the National Multiple Sclerosis Society to the National Multiple Sclerosis Society as an entity to which checkoff donations of individual income tax refunds may be made. Effective August 1, 2014.

Act 249 [R.S. 47:120.231*] creates an individual income tax checkoff for The Lighthouse for the Blind in New Orleans, Inc. Effective for taxable years beginning on or after January 1, 2015.

Act 270 [R.S. 47:120.231*, 120.241*, and 120.251*] creates three new checkoffs for donation of individual income tax refunds for The Louisiana Association for the Blind, the Louisiana Center for the Blind, and Affiliated Blind of Louisiana, Inc. Effective for tax years beginning on or after January 1, 2015.

Act 424 [R.S. 47:6301(B)(1)(c)(iv) and (viii) and (3), and (C)(1)(e); R.S. 47:6301(C)(1)(g)] includes Student Scholarship for Education Excellence Program in scholarship priority and definition of "qualified student" and specifies that the requirement of a school tuition organization to ensure the portability of a scholarship and the proration of the scholarship amount only applies to qualified schools served by the school tuition organization. Effective August 1, 2014.

Act 508 [R.S. 47:120.231*] creates an individual income tax checkoff for Louisiana State Troopers Charities, Inc. Effective for taxable years beginning on or after January 1, 2015.

Litigation

Act 15 appropriates funds to the Department of Revenue out of the General Fund to pay the judgments rendered by the Board of Tax Appeals in the following claims against the state:

- a) "KCS Holdings I, Inc. v. Cynthia Bridges, Secretary, Department of Revenue", bearing Number 7755, in the amount of \$104,761.50.
- b) "KCS Holdings I, Inc. v. Cynthia Bridges, Secretary, Department of Revenue", bearing Number 8764, in the amount of \$107,677.50.

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- c) "KCS Holdings I, Inc. v. Cynthia Bridges, Secretary, Department of Revenue", bearing Number 8864, in the amount of \$104,835.00.
- d) "AEP Resources, Inc. v. The State of Louisiana", bearing Number 8854, in the amount of \$1,058,407.30.

Sales Tax

Act 106 [R.S. 51:1304(C), 1305(A), 1305(B), 1305(C), 1309(B), and R.S. 1302(7)] removes the authority of the Louisiana Tax Free Shopping Program to charge participating retailers a membership fee. Effective May 16, 2014.

Act 414 [R.S. 47:513.1] requires that the Office of Motor Vehicles notify new residents who are issued a driver's license or a special identification card that an owner of a motor vehicle has thirty days from date of notification to pay the sales taxes due before penalties and interest accrue. Effective August 1, 2014.

Act 542 [R.S. 40:4.9] requires individuals who prepare low-risk foods (jams, jellies, baked goods, etc.) in the home for sale to obtain a Louisiana General Sales Tax Certificate from the Louisiana Department of Revenue and a local sales tax certificate from the local taxing authority of any jurisdiction in which he intends to sell foods. Effective August 1, 2014.

Act 761 [R.S. 23:3021; R.S. 23:3031; R.S. 23:3032] amends the definition of blindness for the purpose of the exemption from the occupational license tax, which will impact the administration of R.S. 47:301.15 relative to sales or purchases by individual who are blind. Effective June 19, 2014.

SSR 4 requests the Senate Committee on Revenue and Fiscal Affairs to meet and study the effects of exempting communications networks from sales tax.

Severance Tax

Act 658 [R.S. 47:1624.1] authorizes the Secretary to pay interest on refunds for overpayments of severance taxes to operators whose wells qualify for the severance tax suspension on new horizontal wells or deep wells at the following rates:

- a) If the refund is paid within 180 days of the filing of a claim for refund or an amended return with all supporting documentation, interest on the refund shall be paid at the U.S. Treasury Yield Curve Constant Maturity 6-Month Treasury rate on the first business day of October of the preceding year and published on or before January 1st of the following year.
- b) If the refund is paid after 180 days from the filing of the claim, interest shall be paid at the U.S. Treasury-based rate for the first 180 days, and the judicial rate of interest for any period of time after 180 days in accordance with the provisions of present law.

Effective June 18, 2014.

Local Tax

Act 185 [R.S. 47:338.212] authorizes the City of Zachary to levy and collect a hotel occupancy tax not to exceed 5% of the rent or fee charged, subject to voter approval. Proceeds of the tax are required to be used to fund infrastructure improvements for the Zachary Youth Park and other recreational opportunities. Effective July 1, 2014.

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Act 212 [R.S. 33:1420.19] authorizes a special taxing district in Jefferson Parish to expand the boundaries of the district, provide for the establishment of a new governing board and grant the district additional powers and duties including the ability to determine, order, levy, collect, enforce, and distribute a parcel fee, ad valorem tax or other types of special assessments within the district subject to the approval of the district's voters. Effective May 22, 2014.

Act 232 [R.S. 40:1501.7] authorizes Caddo Fire District No. 1 to levy and collect a sales and use tax not to exceed 1%, subject to voter approval. Proceeds from collection of the tax are to be used for maintaining and operating fire protection facilities, obtaining water, or other lawful purposes. Effective May 28, 2014.

Act 536 [R.S. 47:337.23(K)] authorizes local tax collectors to require the electronic filing and remittance of local sales and use tax by any taxpayer required to electronically file or electronically remit state sales and use tax. Provides for an exception to the requirements of proposed law in cases where the taxpayer can show cause that electronic filing of local sales and use taxes would create an undue hardship. Effective August 1, 2014.

Act 545 [R.S. 1:13(B) and 24:177(E)] authorizes the governing authority of the town of Homer, subject to voter approval, to levy and collect an additional sales and use tax not to exceed 1%. Effective June 9, 2014.

Act 667 [R.S. 33:9038.1] authorizes the governing authority of a development district to provide for an audit of financial activities, statements, and records of the municipality in which it is located and of other local governmental entities related to tax increment financing from which the development district receives or should receive funds pursuant to agreements with the municipality and other local governmental entities. Effective June 18, 2014.

Act 674 [R.S. 33:4574.1.1(A)(24)(c) and (d) and 4574.1.1(M)] authorizes the Shreveport-Bossier Convention and Tourist Bureau to levy and collect an additional 2% hotel occupancy tax within the jurisdiction of the bureau. Effective July 1, 2014.

Act 788 [R.S. 47:338.212] authorizes the city of Carencro, in Lafayette Parish, to levy and collect a hotel tax at a rate not to exceed 4%, subject to voter approval. Effective August 1, 2014.