

1 §3.1. State and Local Streamlined Sales and Use Tax Commission

2 Section 3.1.(A) The State and Local Streamlined Sales and Use Tax
3 Commission, hereinafter referred to in this Section as the "commission", is hereby
4 created as a statewide political subdivision. The duties and obligations of the
5 commission shall be determined by law in accordance with the provisions of this
6 Section.

7 (B)(1) The membership of the commission shall be comprised of eight
8 members as follows:

9 (a) One member appointed by the Louisiana School Boards Association or
10 its successor.

11 (b) One member appointed by the Louisiana Municipal Association or its
12 successor.

13 (c) One member appointed by the Police Jury Association of Louisiana or
14 its successor.

15 (d) One member appointed by the Louisiana Sheriffs' Association or its
16 successor.

17 (e) The secretary of the Department of Revenue, or a designee of the
18 secretary.

19 (f) One member appointed by the governor.

20 (g) One member appointed by the speaker of the House of Representatives.

21 (h) One member appointed by the president of the Senate.

22 (2) The commission shall have a chairman and vice-chairman and such other
23 officers as the commission deems necessary. The initial chairman of the commission
24 shall be elected by commission members at the first meeting and shall be a member
25 appointed pursuant to Subsubparagraphs (1)(a) through (d) of this Paragraph. The
26 initial vice-chairman shall be elected by commission members at the first meeting
27 and shall be a member appointed pursuant to Subsubparagraphs (1)(e) through (h)
28 of this Paragraph. Thereafter, on the anniversary of the initial election of the
29 chairman and vice-chairman, the commission shall elect as chairman a member

1 appointed pursuant to Subsubparagraphs (B)(1)(e) through (h) of this Paragraph, and
2 shall elect as vice-chairman a member appointed pursuant to Subsubparagraphs
3 (1)(a) through (d) of this Paragraph. The election of chairman and vice-chairman
4 positions shall continue to rotate in this manner each year.

5 (3) The adoption or amendment of administrative and operational rules of
6 the commission shall require a two-thirds vote of the members of the commission.

7 (C) The commission shall:

8 (1) Provide for the streamlined electronic filing and remittance of sales and
9 use taxes levied by all taxing authorities within the state ensuring prompt remittance
10 of the respective tax returns and monies received electronically by the commission
11 to the single collector for each taxing authority and to the Department of Revenue
12 for distribution. The tax monies received shall, at all times, be and remain the
13 property of the respective taxing authorities or the state.

14 (2) Serve as the administrative entity with respect to the issuance of policy
15 advice and promulgation of rules relative to sales and use taxes levied by all taxing
16 authorities within the state.

17 (3) Serve as the central audit entity for all taxpayers not having a physical
18 presence in Louisiana.

19 (4) Develop rules to streamline the audit process for taxpayers with a
20 physical presence in Louisiana.

21 (D) The commission shall be funded with state and local sales and use tax
22 revenues collected and deemed by the commission, to be reasonable and necessary
23 costs of the administration and collection of sales and use taxes levied by all taxing
24 authorities within the state.

25 (E)(1) On the date selected by the commission or six months after the
26 effective date of this Section, the Louisiana Sales and Use Tax Commission for
27 Remote Sellers and the Louisiana Uniform Local Sales Tax Board shall be abolished.
28 The powers, duties, functions, and responsibilities of the Louisiana Sales and Use
29 Tax Commission for Remote Sellers and the Louisiana Uniform Local Sales Tax

1 Board shall be transferred to, exercised by, and under the administration and control
2 of the commission.

3 (2) Any reference in law to the Louisiana Sales and Use Tax Commission for
4 Remote Sellers and the Louisiana Uniform Local Sales Tax Board shall be deemed
5 to apply to the commission.

6 (3)(a) All books, papers, records, actions, and other property, heretofore
7 possessed, controlled, or used by the Louisiana Sales and Use Tax Commission for
8 Remote Sellers and the Louisiana Uniform Local Sales Tax Board are hereby
9 transferred to the commission.

10 (b) All employees of the Louisiana Sales and Use Tax Commission for
11 Remote Sellers and the Louisiana Uniform Local Sales Tax Board shall be
12 transferred to the commission.

13 (F) All statutory provisions enacted relative to the duties, funding, or
14 obligations of the commission shall require the enactment of law by a two-thirds vote
15 of the elected members of each house of the legislature.

16 (G) Absent the enactment of statutory provisions providing for streamlined
17 electronic filing and remittance as provided in Subparagraph (C)(1) of this Section,
18 such collection shall be as provided in Article VII, Section 3(B) of this Constitution.

19 Section 2. Be it further resolved that this proposed amendment shall be submitted
20 to the electors of the state of Louisiana at the statewide election to be held on November 8,
21 2022.

22 Section 3. Be it further resolved that on the official ballot to be used at the election,
23 there shall be printed a proposition, upon which the electors of the state shall be permitted
24 to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as
25 follows:

26 Do you support an amendment to authorize the legislature to provide for the
27 streamlined collection of sales and use taxes levied within the state by the
28 State and Local Streamlined Sales and Use Tax Commission and to provide

1 for the membership, duties, and responsibilities of the commission? (Adds
2 Article VII, Section 3.1)

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 199 Reengrossed

2021 Regular Session

Schexnayder

Abstract: Establishes the State and Local Streamlined Sales and Use Tax Commission.

Present constitution authorizes the governing authority of any local governmental subdivision or school board to levy and collect taxes on the sale at retail, the use, the lease or rental, the consumption, and the storage for use or consumption of tangible personal property and on sales of services as defined by law, if approved by a majority of the electors voting thereon in an election held for that purpose.

Present constitution authorizes a political subdivision to exercise the power of taxation under authority granted by the legislature.

Present constitution requires all political subdivisions which levy sales and use taxes within a parish to agree among themselves to provide for the collection of their taxes by a single collector or a central collection commission.

Proposed constitutional amendment creates the State and Local Streamlined Sales and Use Tax Commission (commission) as a statewide political subdivision.

Proposed constitutional amendment further provides the commission shall be comprised of eight members as follows:

1. One member appointed by the La. School Boards Association.
2. One member appointed by the La. Municipal Association.
3. One member appointed by the Police Jury Association of La.
4. One member appointed by the La. Sheriffs' Association.
5. The secretary of the Dept. of Revenue, or the designee of the secretary.
6. One member appointed by the governor.
7. One member appointed by the speaker of the House of Representatives.
8. One member appointed by the president of the Senate.

Proposed constitutional amendment requires the chairman and vice-chairman be elected annually. Requires the first chairman of the commission to be a member referenced above in Paragraphs (1) through (4) and the first vice-chairman to be a member referenced above in Paragraphs (5) through (8). Further requires the following chairman to be a member referenced above in Paragraphs (5) through (8) and the vice-chairman to a member referenced above in Paragraphs (1) through (4). Requires the chairman and vice-chairman positions to be elected each year in this manner.

Proposed constitutional amendment provides that the adoption or amendment of administrative and operational rules of the commission shall require a vote of two-thirds of the members.

Proposed constitutional amendment provides that the commission shall provide for streamlined electronic filing and remittance of all sales and use taxes levied in the state.

Further provides for prompt remittance of all monies collected and specifies that monies collected shall be the property of the respective taxing authority.

Proposed constitutional amendment requires the commission to serve as the streamlined administrative entity to provide policy advice and to promulgate rules relative to sales and use taxes levied by all taxing authorities within the state. Further provides the commission shall serve as the central audit entity for all taxpayers without a physical presence in La.

Proposed constitutional amendment provides that the commission shall be funded by both state and local sales and use tax revenues considered by the commission reasonable and necessary costs of administration and collection of sales and use taxes.

Proposed constitutional amendment provides that on a day selected by the commission or six months after the effective date of the Act, La. Sales and Use Tax Commission for Remote Sellers and the La. Uniform Local Sales Tax Board shall be abolished. Further provides the powers, duties, functions, and responsibilities of these entities shall be transferred to the commission.

Proposed constitutional amendment provides that any reference in law to the La. Sales and Use Tax Commission for Remote Sellers and the La. Uniform Local Sales Tax Board shall be deemed to apply to the commission.

Proposed constitutional amendment further provides all books, papers, records, actions, property, and employees of La. Sales and Use Tax Commission for Remote Sellers and the La. Uniform Local Sales Tax Board shall be transferred to the commission.

Proposed constitutional amendment requires a two-thirds vote of the legislature to enact all statutory provisions relative to duties, funding, or obligations of the commission.

Provides for submission of the proposed amendment to the voters at the statewide election to be held Nov. 8, 2022.

(Adds Const. Art. VII, §3.1)

Summary of Amendments Adopted by House

The House Floor Amendments to the engrossed bill:

1. Change the reference from state and local representation to the particular members named in the constitutional amendment with regard to the election of the chairman and vice-chairman of the commission.
2. Remove provisions relative to the election of a proxy to serve as a designee of a member of the commission.
3. Specify that the commission will determine what is considered reasonable and necessary costs for the administration and collection of sales tax.
4. Add provisions to provide for the transition of the La. Sales and Use Tax Commission for Remote Sellers and the La. Uniform Local Sales Tax Board to the commission.
5. Add a provision that requires a two-thirds vote of the legislature for the enactment of statutory provisions relative to the funding of the commission.
6. Make technical changes.