

2026 Regular Session

HOUSE RESOLUTION NO. 389

BY REPRESENTATIVE WYBLE

A RESOLUTION

To urge and request the Department of Revenue to study the benefit that a dealer receives from vendor's compensation for state and local sales and use taxes and excise taxes as compared to the costs a dealer incurs for paying interchange fees assessed on the tax portion of a sale and to report findings of this study to the House Committee on Ways and Means no later than January 31, 2027.

WHEREAS, in recognition of the public function that dealers perform when they collect and remit sales and use taxes, R.S. 47:306(A)(3)(a) and (b) authorizes a dealer to retain one and five hundredths percent of the state or local sales and use tax due for accounting for and timely and accurately remitting the tax, capped at seven hundred and fifty dollars a month, more commonly known as "vendor's compensation"; and

WHEREAS, dealers who collect and remit certain excise taxes, including the tobacco tax (R.S. 47:851(B)(4)(b)), the tax on beverages of low alcoholic content (R.S. 26:345), the gasoline and diesel fuel taxes (R.S. 47:818.22(A)), the special fuels tax (R.S. 47:818.119(A)), the hazardous waste disposal tax (R.S. 47:823(E)), and the oil spill contingency fee (R.S. 30:2485(B)), may also receive compensation for accounting for and timely and accurately remitting those excises taxes; and

WHEREAS, consumers have increasingly begun to rely on payment cards, such as credit cards, debit cards, and check cards, for the purchase of goods and services; and

WHEREAS, when a consumer uses a payment card, the dealer typically incurs an interchange fee from the payment card provider, which is calculated as a percentage of the amount charged to the customer; and

WHEREAS, calculating the interchange fees typically includes the tax portion of a sale, resulting in dealers paying an interchange fee not only on the price of the goods or services being sold, but also on the taxes that dealers collect on behalf of the state and its political subdivisions; and

WHEREAS, accurate estimates of the costs dealers incur when paying interchange fees assessed on the tax portion of a sale as well as a comparison of those costs to the amount of vendor's compensation that dealers may retain for accounting for and timely and accurately remitting state and local sales and use taxes and excise taxes are needed.

THEREFORE, BE IT RESOLVED that the House of Representatives of the Legislature of Louisiana does hereby urge and request the Department of Revenue to study the benefit that a dealer receives from vendor's compensation for state and local sales and use taxes and excise taxes as compared to the costs a dealer incurs for paying interchange fees assessed on the tax portion of a sale and to report findings of this study to the House Committee on Ways and Means no later than January 31, 2027.

BE IT FURTHER RESOLVED that the report shall include a short history of vendor's compensation, including why it was created and how it has changed, the best available estimate of the amount of state and local sales and use taxes and excise taxes collected in transactions using payment cards, the best available estimate of interchange fees attributable to taxes collected and remitted by dealers, the amount of vendor's compensation dealers receive in accordance with present law over the same period of time, and a comparison of those amounts, including the extent to which vendor's compensation offsets costs attributable to interchange fees.

BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the secretary of the Department of Revenue.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES