

2017 Regular Session

HOUSE BILL NO. 307

BY REPRESENTATIVE LYONS

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

TAX RETURN: Requires a tax clearance from the Dept. of Revenue for certain licenses, permits, tax resale certificates, and state contracts

1 AN ACT

2 To enact R.S. 47:1678, relative to tax clearances from the Department of Revenue; to
3 require a tax clearance for the issuance or renewal of all professional licenses; to
4 require a tax clearance for the issuance or renewal of all permits; to require a tax
5 clearance for the issuance or renewal of a sales tax resale certificate; to require a tax
6 clearance for approval of state contracts; to provide for exceptions; to provide for an
7 effective date; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 47:1678 is hereby enacted to read as follows:

10 §1678. Tax clearances for license, permit, resale certificate and state contract
11 approval

12 A. Notwithstanding any other provision of law to the contrary, no Louisiana
13 entity or agency that governs, regulates, or issues any type of professional or any
14 other license, permit, or certification of any kind shall grant, issue, or renew a
15 license, permit, or certification for any applicant unless the applicant has first
16 obtained and submitted a signed tax clearance from the secretary of the Department
17 of Revenue indicating that the applicant is current in filing all tax returns and in
18 payment of all taxes, interest, penalties, and fees owed to the state of Louisiana.

19 B. Notwithstanding any other provision of law to the contrary, no state sales
20 tax resale certificate shall be issued or renewed for any applicant unless he is current

1 in filing all tax returns and in payment of all taxes, interest, penalties, and fees owed
2 to the state of Louisiana.

3 C. Notwithstanding any other provision of law to the contrary, no contract,
4 subcontract, or request for proposal shall be approved for any state contract unless
5 the person, entity, contractor, vendor, or group seeking to contract with this state has
6 first obtained and submitted a signed tax clearance from the secretary of the
7 Department of Revenue indicating that such person, entity, contractor, vendor, or
8 group is current in filing all tax returns and in payment of all taxes, interest,
9 penalties, and fees owed to the state of Louisiana. For purposes of this Subsection,
10 the tax clearance shall be required for the approval of all contracts with this state for
11 purposes including but not limited to the following:

12 (1) For the purpose of capital construction.

13 (2) To provide any product, good, service, or repair.

14 (3) For the procurement of supplies, services, or major repairs, including but
15 not limited to high technology acquisitions or of complex services.

16 (4) For consulting, professional, personal, and social services.

17 (5) For purchase or lease of property as authorized by law.

18 (6) For the procurement of medical and laboratory supplies and medical
19 equipment required for the purpose of diagnosis or direct treatment of a patient by
20 a health care provider in a hospital or clinical setting, including procurement through
21 a group purchasing organization.

22 D. Notwithstanding any provision of this Section to the contrary, the chief
23 procurement officer or his designee if the designee is above the level of procurement
24 officer may make or authorize others to approve a contract for emergency
25 procurements when there exists an imminent threat to the public health, welfare,
26 safety, or public property under emergency conditions as defined in accordance with
27 regulations.

28 E. Notwithstanding any other provision of this Section to the contrary, a
29 contract may be awarded for a required product, service, or major repair if, pursuant

1 to regulations, the chief procurement officer or his designee if the designee is above
2 the level of procurement officer determines in writing that there is only one source
3 for the required product, service, or major repair item.

4 F. As used in this Section, the terms "state" and "agency" shall mean and
5 include any state office, department, board, commission, institution, division, officer
6 or other person, or functional group that is authorized to exercise or that does
7 exercise any function of the government of the state, but not any governing body or
8 officer of any local government or subdivision of the state, district attorney, or
9 sheriff or any parochial officer who exercises functions coterminous with the
10 municipality in which he performs those functions.

11 G. Notwithstanding any provision of this Section or any other provision of
12 law, the provisions of this Section shall not apply to the approval of contracts for the
13 construction, maintenance, or repair of highways and streets or to contracts financed
14 in whole or in part by contributions or loans from any agency of the United States
15 government.

16 H. Notwithstanding any provision of this Section to the contrary, the
17 provisions of Subsections A, B, and C of this Section shall not apply to items under
18 formal appeal pursuant to applicable law or to a taxpayer who has paid the amount
19 due under protest in accordance with R.S. 47:1576 or has entered into an installment
20 agreement with the department for the payment of the amount due and is in
21 compliance with the terms of the agreement.

22 I. The legislature hereby recognizes the judicial power vested in the
23 Louisiana Supreme Court pursuant to Article V, Section I of the Constitution of
24 Louisiana to regulate the practice of law in this state. Accordingly, the provisions of
25 this Section shall not apply to a license to practice law in Louisiana.

26 Section 2. The provisions of this Act shall apply prospectively only.

27 Section 3. This Act shall become effective upon signature of the governor or, if not
28 signed by the governor, upon expiration of the time for bills to become law without signature
29 by the governor, as provided in Article III, Section 18 of the Constitution of Louisiana. If

- 1 vetoed by the governor and subsequently approved by the legislature, this Act shall become
2 effective on the day following such approval.

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 307 Original

2017 Regular Session

Lyons

Abstract: Requires a tax clearance from the Dept. of Revenue for the issuance or renewal of licenses, permits, and tax resale certificates and the approval of state contracts.

Proposed law prohibits any La. agency that governs, regulates, or issues any type of professional or any other license, permit, or certification from granting, issuing, or renewing a license, permit, certification, or tax resale certificate unless the applicant has first obtained and submitted a signed tax clearance from the secretary of the Dept. of Revenue. The tax clearance indicates that the applicant is current in filing all tax returns and in payment of all taxes, interest, penalties, and fees owed to the state, excluding items under formal appeal.

Proposed law provides that no contract, subcontract, or request for proposal will be approved for any state contract unless the person, entity, contractor, vendor, or group seeking the contract has first obtained and submitted a signed tax clearance.

Proposed law provides that the tax clearance is required for the approval of contracts with this state for the following:

- (1) For the purpose of construction.
- (2) To provide any product, good, service, or repair.
- (3) For the procurement of supplies, services, or major repairs, including high technology acquisitions or complex services.
- (4) For consulting, professional, personal, and social services.
- (5) For purchase or lease of property.
- (6) For the procurement of medical and laboratory supplies and medical equipment required for the purpose of diagnosis or direct treatment of a patient by a health care provider in a hospital or clinical setting.

Proposed law provides that in emergency situations the chief procurement officer or his designee may make or authorize others to approve a contract without a tax clearance.

Proposed law authorizes a contract award without a tax clearance by the chief procurement officer or his designee if determined in writing that there is only one source for the required product, service, or major repair.

Proposed law provides that the terms "state" and "agency" mean any state office, department, board, commission, institution, division, officer or other person, or functional group that is authorized to exercise any functions of the government of the state. Proposed law excludes from these terms any governing body or officer of any local government or subdivision of the state, district attorney, or sheriff or any parochial officer who exercises functions coterminous with the municipality in which he performs those functions.

Proposed law does not apply to contracts for the construction, maintenance, or repair of highways and streets or to contracts financed in whole or in part by contributions or loans from any agency of the U.S. government.

Proposed law does not apply if the taxpayer has paid the amount due under protest or has entered into an installment agreement and is in compliance with the terms of the agreement.

Proposed law does not apply to a license to practice law in La.

Proposed law applies prospectively only.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Adds R.S. 47:1678)