
DIGEST

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HB 12 Engrossed

2018 Second Extraordinary Session

Leger

Abstract: Establishes criteria for the definition of "dealer" for purposes of registration of remote sellers as collectors of state tax.

Present law defines "dealer" for purposes of state and local sales and use taxes as a person who manufactures or produces tangible personal property for sale at retail, for use or consumption, or distribution, or for storage to be used or consumed in a taxing jurisdiction.

Proposed law retains present law and further defines "dealer" as a person who does not have a physical presence in the state and who sells for delivery into La. tangible personal property, products transferred electronically, or services, if either:

- (1) The person's gross revenue from sales in La. exceeds \$100,000; or
- (2) The person engaged in 200 or more separate transactions in La.

Proposed law also provides that a person may voluntarily register as a dealer for purposes of collecting the additional sales tax regardless of their revenue or number of sales.

Present law requires that the La. Sales and Use Tax Commission for Remote Sellers (commission), serve as the single entity in La. to require remote sellers to collect and remit sales and use taxes on remote sales sourced to La. pursuant to federal law authorizing states to require remote sellers.

Proposed law retains present law and includes final rulings by the U. S. Supreme Court as a source of authority by which states may be authorized to require remote sellers to collect and remit sales and use taxes.

(Amends R.S. 47:339(A)(2) and (B)(3); Adds R.S. 47:301(4)(m))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the original bill:

1. Add final rulings by the U. S. Supreme Court as a source of authority by which states may be authorized to require remote sellers to collect and remit sales and use taxes, and by which the La. Sales and Use Tax Commission may exercise its authority as the single

entity in La. to require the collection and remittance of the taxes.

2. Technical.