

**LEGISLATIVE FISCAL OFFICE  
Fiscal Note**



Fiscal Note On: **HB 524** HLS 19RS 276  
 Bill Text Version: **ORIGINAL**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> May 10, 2019 3:12 PM	<b>Author:</b> FOIL
<b>Dept./Agy.:</b> Revenue	<b>Analyst:</b> Benjamin Vincent
<b>Subject:</b> Marketplace Facilitators	

REVENUE DEPARTMENT OR SEE FISC NOTE GF EX Page 1 of 1  
 To provide for market place facilitators

Proposed law provides for definitions and requirements for marketplace facilitators and the collection and remittance of sales and use taxes on remote sales. Proposed law requires marketplace facilitators to collect and remit state and local sales and use taxes on a monthly basis on all taxable sales into Louisiana for which the facilitators transacts on its own behalf or facilitates for another seller. Proposed law requires marketplace facilitators to determine the taxability of remote sales into Louisiana. Proposed law expands the jurisdiction of the Board of Tax Appeals (BTA) to all matters related to the Louisiana Sales and Use Tax Commission for Remote Sellers, and removes the applicability provisions in current law relative to the Commission that are contingent on a final ruling in *South Dakota v. Wayfair, Inc.*

Effective upon governor's signature.

<b>EXPENDITURES</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>						

<b>REVENUES</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>5 -YEAR TOTAL</b>
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Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
<b>Annual Total</b>						

**EXPENDITURE EXPLANATION**

LDR reports no anticipated material expenditures as a result of implementation of proposed law. The bill is largely shifting reporting/remittance to the existing direct marketing return filing and away from the individual income tax consumer use tax self-reporting/remittance return filing. Proposed law also expands the jurisdiction of BTA, which may result in additional BTA proceedings. To the extent this occurs, increased general fund and self-generated revenue expenditures may be incurred.

**REVENUE EXPLANATION**

Proposed law is anticipated to have no material impact on the magnitude of state revenue collections, as the effect of the bill is largely to shift reporting/remittance to the existing direct marketing return filing and away from the individual income tax consumer use tax self-reporting/remittance return. An impact on the timing of collections is likely as the direct marketing reporting/remittance by remote sellers and marketplaces is to occur on a monthly basis under this bill rather than on an annual basis under the current individual income tax return filing. To the extent this shifting of responsibility works to enhance compliance with sales & use tax requirements, some additional collections would occur. Any additional revenue attributable to that presumption is speculative.

Proposed law will require sellers and marketplaces to collect taxes at the actual local rate for each jurisdiction, instead of the local rate of 4% currently collected. To the extent that individual political subdivisions levy local taxes at a higher or lower rate than 4%, local sales tax revenues will decrease or increase due to proposed law.

Senate Dual Referral Rules  
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}  
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House  
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}  
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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