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## DIGEST

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HB 428 Original

2020 Regular Session

Echols

**Abstract:** Authorizes the legislature to provide by law for the centralized collection of all sales and use taxes levied in La.

Present constitution authorizes 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 requires that all local governing authorities which levy sales and use taxes within a parish agree among themselves to provide for the collection of their taxes by a single collector.

Proposed constitutional amendment changes present constitution by removing the authority of a local governmental subdivision to collect sales and use taxes it imposes, and instead permits the legislature to provide by law for the centralized collection of sales and use taxes.

Proposed constitutional amendment requires that any law establishing the procedure for centralized collection shall ensure the prompt remittance of the respective tax collected by the state as the central collector to the respective taxing authority identified on the taxpayers' returns.

Proposed constitutional amendment provides that the state, as the collector, shall not commingle the taxes of any nonstate taxing authority with state taxes. Proposed constitutional amendment further provides that the local collections are not state money or state funds.

Effective Jan. 1, 2022.

Provides for submission of the proposed amendment to the voters at the statewide election to be held Nov. 3, 2020.

(Amends Const. Art. VI, §29(A); Adds Const. Art. VII, §3(C))