

RÉSUMÉ DIGEST

ACT 31 (HB 37)

2020 First Extraordinary Session

Harris

Existing law requires interest to be added to the amount of tax due when a taxpayer fails to pay a tax on or before the day it is required to be paid. The amount of interest accrues at an annual rate of 3% above the judicial interest rate provided for in existing law.

Existing law requires the secretary of the Dept. of Revenue (DOR) to impose a penalty in addition to any other penalty when a taxpayer fails to make and file any return required to be made before the time that the return becomes delinquent or when a taxpayer fails to timely remit to the secretary of DOR the total amount of tax that is due on a return which he has filed. The amount of the penalty varies depending on the length of time the deficiency continues.

New law establishes a limited period in which the secretary of DOR is required to waive all penalties and interest for the late filing of any tax return or the late payment of any tax due in or for 2019 and 2020, if the original due date for the tax or the tax return was between March 11, 2020, and July 15, 2020. The waiver does not apply to any tax return filed or any tax payment submitted after Nov. 15, 2020.

New law restricts authorization for this limited waiver to taxpayers diagnosed with COVID-19 or taxpayers who relied on a tax preparer diagnosed with COVID-19 on or after March 11, 2020, and on or before July 15, 2020. Further requires taxpayers claiming the waiver to retain documentation that shall be provided upon request to DOR evidencing the COVID-19 impact on their health or the health of their tax preparer.

Effective July 1, 2020.

(Adds R.S. 47:1602.2)