

---

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Riley Boudreaux.

---

DIGEST

SB 200 Original 2015 Regular Session Gallot

In-Lieu Sales Tax

Present constitution authorizes "local governmental subdivisions" (defined as parishes and municipalities) and school boards to levy sales and use taxes.

Present constitution authorizes the legislature to grant tax authority to political subdivisions and special districts.

Proposed constitutional amendment authorizes the state to provide by law for the levy and collection of an additional sales and use tax at the same rate as the state sales and use tax upon sales into the state by vendors who engage in the regular or systematic solicitation of consumers in this state, but who have no employees, solicitors, agents, inventory, sales locations or other business assets in the state. The tax is to be levied and collected in the same manner as is provided by law for the levy and collection of the state sales tax. The avails of the tax must be distributed to each political subdivision in the manner provided by law. Such taxable transactions are excluded from the sales tax of political subdivisions.

Dedication of Internet and Mail-Order Sales Tax

Proposed constitutional amendment requires the secretary of the Department of Revenue to provide written notification to the commissioner of administration and to the chairs of the Senate Committee on Finance and the House Committee on Appropriations of the following:

- (1) The effective date of any federal law which the secretary determines will directly or indirectly cause or require vendors located out-of-state to collect and remit Louisiana state sales and use tax on their Internet, mail-order, or other sales into the state.
- (2) That he has determined that the provisions of the proposed constitutional amendment expanding the definition of "dealer" (below) has caused a substantial increase in the collections of state sales and use tax on Internet, mail-order, or other sales into the state.

Proposed constitutional amendment creates the Out-of-State Sales Tax Collection Fund in the state treasury to receive the estimated amount of state sales and use taxes collected from vendors located out-of-state on Internet, mail-order, or other sales into the state because of such federal law or because of the provisions of the proposed constitutional amendment expanding the definition of "dealer" (below).

Proposed constitutional amendment provides that the money in the fund shall be appropriated by the

legislature to be allocated and restricted to the following purposes:

- (1) 75% shall be used for public institutions of higher education for operational expenses.
- (2) The remaining 25% shall be used for the provision of health care services.

Proposed constitutional amendment provides that interest earnings on the fund shall be credited to the fund and all unexpended unencumbered monies in the fund at the end of the fiscal year shall remain in the fund.

Specifies submission of the amendment to the voters at the statewide election to be held on October 24, 2015.

(Adds Const. Art. VII, Sec. 2.4)