
DIGEST

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HB 545 Original

2015 Regular Session

Geymann

Abstract: Requires vendors of student assessment materials and services to receive a permit to sell to public schools. Imposes a sales tax on the sale of student assessment materials to schools in the state.

Proposed law defines "student assessment materials and services" as materials sold and services provided for the development, implementation, and administration of standards and related assessments for students enrolled in public elementary and secondary schools pursuant to R.S. 17:24.4 if such standards and assessments are not developed in the state and if the development, implementation, and administration process for the standards and assessments are not promulgated in accordance with the Administrative Procedure Act. "Student assessment materials and services" shall not include college entrance examinations, including the ACT, SAT, high school equivalency examinations, or industry-based certification examination.

Proposed law requires every distributor who wishes to sell student assessment materials and services to schools in the state to apply for a permit with the Dept. of Revenue (the department). Permit fees are \$10,000 for a one-year permit. Permits are non-transferrable and shall be prominently displayed. A statement attesting to the possession of the permit shall be included in any contract for the sale of student assessment materials and services.

Proposed law requires an application be filed for each place of business owned and operated by the distributor. Defines "place of business" as any place where student assessment materials and services are received, stored, or sold in the state. For any sale involving a remote seller, "place of business" means the destination in the state of student assessment materials or services sold to a school.

Proposed law imposes a tax on every distributor for selling student assessment materials and services, based on the dollar value of each sale.

- (1) For a sale of \$1,000 or less, 10%.
- (2) For a sale greater than \$1,000, but less than \$10,000, 9%.
- (3) For a sale of \$10,000 or more, 8%.

If the tax has not been paid by the distributor, the tax shall be paid by a retailer selling the student assessment materials and services.

A distributor shall add the amount of tax levied to the price of student assessment materials and services sold to a retailer, and the retailer shall pass the amount of the tax through to the school as a component of the final retail purchase price. The amount of the taxes may be stated separately on all invoices, signs, sales or delivery slips, bills, and statements that advertise or indicate the price of those educational materials and services.

Any distributor or retailer liable for the tax shall submit the tax due and other information required by the department by the 20th day of each month. Requires more frequent filing if a taxpayer's monthly tax liability was \$20,000 or more during the preceding calendar year.

Every distributor and every retailer shall keep applicable records for four years and such records shall be subject to inspection by the department at all reasonable times during normal business hours.

Proposed law provides penalties for failure to pay the entire amount of the tax due. Authorizes the suspension of permits if a permittee has violated any provisions of proposed law.

The tax required to be collected by proposed law and any such tax collected shall constitute a debt owed by that person to the state.

(Adds R.S. 47:2711-2717)