
The original instrument was prepared by Leonore F. Heavey. The following digest, which does not constitute a part of the legislative instrument, was prepared by James Benton.

SB 239 Engrossed

DIGEST
2018 Regular Session

Morrell

Proposed law authorizes the secretary of the Department of Revenue to refuse to register or issue or may revoke a state sales tax resale certificate to a reorganized business when the intent of the reorganization is to evade sales and use tax or withholding tax.

Proposed law defines reorganization as a transfer of assets between businesses with significant shared ownership or management, a mere change in ownership form, or significant shared features between the old and new business.

Proposed law requires that all tax, interest, and penalty due be paid before the business will be registered or the resale certificate will be issued.

Proposed law imposes a penalty of \$5,000 for a reorganization of a business with the purpose of evading taxes.

Effective on July 1, 2018.

(Adds R.S. 47:1574.2)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the original bill

1. Adds secretary authority to revoke a state sales tax resale certificate.
2. Changes the penalties for a reorganization of a business with the purpose of evading taxes.
3. Adds July 1, 2018, effective date.