
DIGEST

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HB 791 Original

2020 Regular Session

Magee

Abstract: Authorizes the La. Sales and Use Tax Commission for Remote Sellers to remit local sales and use taxes to local collectors on behalf of dealers with a physical presence in La. who elect to use the commission.

Present law establishes the La. Sales and Use Tax Commission for Remote Sellers (commission) for the purpose of collecting sales and use taxes from remote sellers without a physical presence in La.

Proposed law retains present law and authorizes the commission to remit local sales and use taxes to local tax collectors on behalf of any dealer with physical presence in La. who elects to use the commission.

Present law provides that the commission's operations shall be funded by an amount not to exceed 1% of the total amount of state and local sales and use taxes collected on remote sales by the commission.

Proposed law retains present law and authorizes the commission to retain an additional .5% of the total amount of local sales and use taxes remitted for non-remote sales for the purpose of funding the administration of remitting taxes on behalf of dealers with a physical presence in the state.

Present law allows for the commission to take any action related to the collection of sales and use tax within its jurisdiction as permitted by law that the secretary of the Department of Revenue (DOR) is authorized to take to enforce administration.

Proposed law changes present law by extending the commission's power, allowing the commission to take the same actions as the secretary of DOR necessary in order to enforce the remittance of sales and use tax on behalf of non-remote sellers.

Present law gives the commission the power, duty and authority to provide to the single tax collector for each parish, on or before June first of each year, an annual report of revenues collected and distributed in the previous calendar year. Proposed law requires the report to include revenues remitted in the previous calendar year.

Present law provides that nothing in present law provisions related to the commission shall be construed to:

1. Authorize the commission to exercise any right or perform any function presently exercised by local sales and use tax authorities.
2. Authorize the commission to serve as a central state collection agency for local sales and use taxes.
3. Limit any statutory and ordinal provisions in place as of June 16, 2017, that require dealers and taxpayers, with respect to non-remote sales, to pay and remit directly to the single sales and use tax collector in each parish the sales and use taxes due to each local taxing authority within each parish.

Proposed law repeals present law.

Proposed law provides that local taxing authorities maintain the exclusive right to administer local tax levies and conduct audits related to local taxes.

(Amends R.S. 47:339 (A)(intro. para.) and (4), 340(A),(E)(2) and (3), (F)(2),(G)(7) and (9), and (I); Adds R.S. 47:339(A)(5) and 340(G)(12) and (J); Repeals R.S. 47:340(H)(3), (12), and (13))