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

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DIGEST

SB 21 Original

2020 First Extraordinary Session

McMath

Present law imposes a 4.45% state tax upon the sale, use, consumption, storage, or rental of certain tangible personal property and services.

Present law provides that the dealer shall be allowed to deduct and retain .935% of the total amount of taxes due for the purpose of compensating the dealer for timely accounting for and remitting the tax.

Proposed law changes the amount dealers may deduct and retain to 1.1% of the total amount of taxes due.

Present law further provides the aggregate state compensation for a dealer shall not exceed \$1,500 per calendar month.

Proposed law reduces the maximum monthly deduction from \$1,500 to \$1,200 and provides that the minimum amount a dealer can deduct is \$15 dollars per month.

Present law provides that the calculation of the compensation shall be based only on the taxes levied pursuant to R.S. 47:302, 321, 331, and R.S. 51:1286. Proposed law retains present law.

Effective July 1, 2020.

(Amends R.S. 47:306(A)(3)(a))