
DIGEST

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HB 199 Engrossed

2021 Regular Session

Schexnayder

Abstract: Establishes the State and Local Streamlined Sales and Use Tax Commission.

Present constitution authorizes the governing authority of any local governmental subdivision or school board to levy and collect taxes on the sale at retail, the use, the lease or rental, the consumption, and the storage for use or consumption of tangible personal property and on sales of services as defined by law, if approved by a majority of the electors voting thereon in an election held for that purpose.

Present constitution authorizes a political subdivision to exercise the power of taxation under authority granted by the legislature.

Present constitution requires all political subdivisions which levy sales and use taxes within a parish to agree among themselves to provide for the collection of their taxes by a single collector or a central collection commission.

Proposed constitutional amendment changes present constitution by creating the State and Local Streamlined Sales and Use Tax Commission (commission) as a statewide political subdivision.

Proposed constitutional amendment further provides the commission shall be comprised of eight members as follows:

1. One member appointed by the La. School Boards Association.
2. One member appointed by the La. Municipal Association.
3. One member appointed by the Police Jury Association of La.
4. One member appointed by the La. Sheriffs' Association.
5. The secretary of the Dept. of Revenue, or the designee of the secretary.
6. One member appointed by the governor.
7. One member appointed by the speaker of the House of Representatives.
8. One member appointed by the president of the Senate.

Proposed constitutional amendment authorizes commission members to appoint a designee to attend meetings on behalf of the member and to vote by proxy on behalf of the member.

Proposed constitutional amendment requires the chairman and vice-chairman be elected annually. Requires the first chairman of the commission to be a member representing local political subdivisions and the first vice-chairman to be a member representing the state. Further requires the

following chairman to be a member representing the state and the vice-chairman to be a member representing local political subdivisions. Requires the chairman and vice-chairman positions to be elected each year in this manner.

Proposed constitutional amendment provides that the adoption or amendment of administrative and operational rules of the commission shall require a vote of two-thirds of the members.

Proposed constitutional amendment provides that the commission shall provide for streamlined electronic filing and remittance of all sales and use taxes levied in the state. Further provides for prompt remittance of all monies collected and specifies that monies collected shall be the property of the respective taxing authority.

Proposed constitutional amendment requires the commission to serve as the streamlined administrative entity to provide policy advice and to promulgate rules relative to sales and use taxes levied by all taxing authorities within the state. Further provides the commission shall serve as the central audit entity for all taxpayers without a physical presence in La.

Proposed constitutional amendment shall be funded by both state and local sales and use tax revenues considered reasonable and necessary costs of administration and collection of sales and use taxes.

Proposed constitutional amendment abolishes the La. Sales and Use Tax Commission for Remote Sellers and the La. Uniform Local Sales Tax Board shall be abolished and provides that the powers, duties, and authority of these entities shall be transferred to the commission.

Proposed constitutional amendment requires a two-thirds vote of the legislature to enact all statutory provisions relative to membership, duties, or obligations of the commission.

Provides for submission of the proposed amendment to the voters at the statewide election to be held Nov. 8, 2022.

(Adds Const. Art. VII, §3.1)