

1 Section 1. R.S. 47:337.102(B)(3) and (5), (I)(1) and (3), and (K), 340(A) and (E)(5),
2 1402(E)(1) and (2), 1404, 1406, and 1418(7)(d) are hereby amended and reenacted and R.S.
3 47:338.223 and 1483(A)(2) and (3) are hereby enacted to read as follows:

4 §337.102. Louisiana Uniform Local Sales Tax Board; creation; membership;
5 powers and duties

6 * * *

7 B. Board membership and organization.

8 * * *

9 (3) ~~The board member appointments provided for in Subparagraphs (B)(1)(e)~~
10 ~~through (h) of this Section shall be made no later than August 31, 2017.~~ Employees,
11 legal counsel, and vendors of a single parish collector's office shall not be eligible
12 for appointment to the board. Members appointed to the board pursuant to
13 Subparagraphs (B)(1)(e) through (h) of this Section shall serve at the pleasure of the
14 respective appointing authority. The appointing authorities shall coordinate their
15 appointments to the board in order that the board's membership is representative of
16 the diverse regions of the state and to ensure that no two members represent a single
17 parish.

18 * * *

19 (5) The board ~~shall hold its organizational meeting no later than October 15,~~
20 ~~2017, at which time it shall elect a chairman, vice chairman, and such other officers~~
21 ~~as determined necessary at the first meeting by the board.~~

22 * * *

23 I. Funding. (1) The board shall be funded through a dedication of a
24 percentage of the total statewide collections of local sales and use tax on motor
25 vehicles, as provided for in an agreement with local collectors and in accordance
26 with the limitations provided in this Paragraph and the budgetary policy as provided
27 in Paragraph (2) of this Subsection. Monies shall be payable monthly from the
28 current collections of the tax. The dedication shall be considered a cost of collection
29 and shall be deducted by the state and disbursed to the board prior to distribution of

1 tax collections to local taxing authorities. The dedication shall be in addition to any
2 fee imposed by the office of motor vehicles for the collection of the local sales and
3 use tax on motor vehicles. The amount to be disbursed to the board in any fiscal year
4 after Fiscal Year 2018-2019 shall not, under any circumstances and notwithstanding
5 any budget adopted by the board, exceed ~~the following~~:

- 6 (a) ~~In Fiscal Year 2017-2018, one-fifth of one percent of the collections.~~
- 7 (b) ~~In Fiscal Year 2018-2019, one-quarter of one percent of the collections.~~
- 8 (c) ~~In Fiscal Year 2019-2020 and each fiscal year thereafter, three-tenths of~~
9 one percent of the collections.

10 * * *

11 (3) If use tax collections pursuant to R.S. 47:302(K) ~~yields~~ yield insufficient
12 revenue to fulfill the dedication made pursuant to R.S. 47:302(K)(7) for interagency
13 transfers to the Department of State Civil Service, Board of Tax Appeals, and the
14 Local Tax Division, and there is no means of financing available to satisfy the
15 dedication pursuant to R.S. 47:340(E)(5), the board shall pay any remaining amount
16 necessary to satisfy the dedication, which payment shall be made into the Local Tax
17 Division Expense Fund within the first thirty days of the fiscal year. The board is
18 also authorized to enter into an agreement with the Department of State Civil
19 Service, Board of Tax Appeals, or the Local Tax Division to pay in a like manner
20 amount sufficient to compensate the Local Tax Division for workload increases.

21 * * *

22 K. The board shall adopt a strategic plan for its operations, which shall
23 include specific goals and objectives. ~~The plan shall be adopted by July 1, 2018. The~~
24 strategic plan shall be updated not less than once every five fiscal years.

25 * * *

26 §338.223. Collection and administration of occupancy taxes

27 A. All occupancy taxes administered or collected by the secretary of the
28 Department of Revenue shall be subject to the provisions of Chapter 18 of this
29 Subtitle.

1 §1406. Expenditures

2 A. The board is authorized to make ~~such~~ expenditures (including
3 expenditures for personal services ~~and for~~, law books, books of reference, and
4 periodicals), as may be necessary to efficiently execute the functions vested in the
5 board. ~~At~~ Subject to the provisions of this Subtitle related to the Local Tax
6 Division, the expenditures of the board shall be allowed and paid; out of any monies
7 appropriated for the purposes of the board. Any item funded pursuant to a written
8 agreement for a particular service shall be included in any budget request or
9 recommendation to the full extent of the funding provided for under the agreement.

10 B. The board's self-generated revenue from local cases filed with the board
11 pursuant to the provisions of the Uniform Local Sales Tax Code shall be expended
12 exclusively for the purposes of its Local Tax Division, and may be retained by the
13 board and carried forward for such purposes.

14 * * *

15 §1418. Definitions

16 For purposes of this Chapter, except when the context requires otherwise, the
17 words and expressions defined in this Section shall have the following meanings:

18 * * *

19 (7) "State collector" means any of the following:

20 * * *

21 (d) Any other collector of state taxes or fees, or any other state agency where
22 an agency action is appealable to the board or is related to state taxes or fees,
23 including contracts.

24 * * *

25 §1483. Payment of approved claims

26 A.

27 * * *

28 (2) If the board approves a claim for an amount less than the amount claimed
29 by the claimant, the board shall submit the new amount to the claimant.

Present law requires the board to hold its organization meeting no later than Oct. 15, 2017.

Proposed law repeals present law.

Present law provides the board is funded through a dedication of a percentage of the total statewide collections of local sales and use tax on motor vehicles.

Proposed law retains present law, but provides the funding of the board through certain dedications shall be as provided for in agreements with local collectors.

Present law provides for funding of the board through a dedication of a percentage of the total statewide collections of local sales and use taxes on motor vehicles, not to exceed:

- (1) In Fiscal Year 2017-2018, one-fifth of 1% of the collections.
- (2) In Fiscal Year 2018-2019, one-quarter of 1% of the collections.
- (3) In Fiscal Year 2019-2020 and each fiscal year thereafter, three-tenths of 1% of the collections.

Proposed law repeals provisions of present law pertaining to specific fiscal years and retains present law that provides any budget adopted by the board shall not exceed three-tenths of 1% of the collections.

Present law provides that if tax collections yield insufficient revenue to fulfill dedications for interagency transfers to the Dept. of State Civil Service, Board of Tax Appeals, Local Tax Division the board shall pay any remaining amount necessary to satisfy the dedication. Further provides that the board is authorized to enter into an agreement with the Dept. of State Civil Service, Board of Tax Appeals or the Local Tax Division to pay an amount sufficient to compensate the Local Tax Division.

Proposed law retains present law and adds the stipulation that if tax collections yield insufficient revenue to fulfill the dedication and there is no means of financing available, the board shall pay any remaining amount necessary to satisfy the dedication.

Present law requires the board to adopt a strategic plan for operations. Proposed law retains present law.

Present law provides the strategic plan shall be adopted by July 1, 2018.

Proposed law repeals present law and provides the strategic plan shall be updated not less than once every five fiscal years.

Proposed law further provides that payments to fulfill the dedication for interagency transfers shall be made within 30 days of the beginning of the fiscal year.

Present law establishes the Board of Tax Appeals (BTA) and authorizes the BTA to make certain expenditures.

Proposed law provides that any BTA expenditure funded pursuant to a written agreement shall be included in any budget request or recommendation of the BTA.

Present law defines a state collector to include:

- (1) The secretary of the Dept. of Revenue and other duly authorized assistants.
- (2) The assistant secretary of the office of motor vehicles and duly authorized assistants.

- (3) The commissioner of alcohol and tobacco control.
- (4) Any other collector of state taxes or fees, or other state agency where an agency action is appealable to the BTA.
- (5) The agent or successor of any of the offices above when administering a state tax or fee.

Proposed law expands the present law definition of state collector to include state agencies in which the agency action is related to state taxes or fees, including contracts.

Present law provides for certain procedures for the payment of Board of Tax Appeals judgments against the state.

Present law provides that judgments issued by the BTA for the payment of a claim when the amount approved does not exceed \$20,000 shall be paid out of current tax collections without interest. Further limits the total amount of judgments paid in a fiscal year from current collections to two million dollars, unless a higher amount for that fiscal year is approved by the commissioner of administration and the Joint Legislative Committee on the Budget (JLCB).

Present law provides that when the BTA approves a claim against the state and the amount of the claim exceeds \$20,000 but is not more than \$250,000, the claim shall be submitted to the litigation subcommittee of JLCB for review. If the claim is approved by the litigation subcommittee, the approved claim shall be paid out of current tax collections following submission of the authorization to the secretary of the Dept. of Revenue.

Proposed law provides that if the BTA approves a claim for an amount less than the amount claimed by the claimant, the BTA shall submit the new amount to the claimant. Further provides that if the claimant accepts the new amount, the claim shall be approved as a judgment provided for in present law.

Proposed law provides that if the claimant does not accept the new amount, the claim shall be denied.

Proposed law provides that any denied claim shall be subject to prohibitions provided in present law (R.S. 47:1786). Further provides that no cause of action shall be maintained before the BTA or any court for a claim that has been paid pursuant to the provisions of proposed law.

Proposed law provides any amount agreed upon by both parties in a stipulated or consent judgment shall be submitted to the BTA pursuant to present law.

Proposed law provides that any stipulated or consent judgment submitted jointly not exceeding \$100,000, shall be paid in the same manner as certain judgments provided for in present law (R.S. 47:1483(B)(1)), during the 45 day period after the last day of the fiscal year, to the extent funds are available after payment of all other approved judgments for the fiscal year pursuant to present law.

(Amends R.S. 47:337.102(B)(3) and (5), (I)(1) and (3), and (K), 340(A) and (E)(5), 1402(E)(1) and (2), 1404, 1406, and 1418(7)(d); Adds R.S.47:338.223 and 1483(A)(2) and (3); Repeals R.S. 47:340(I))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the original bill:

1. Add provisions relative to the collection and administration of certain occupancy taxes collected or administered by the Dept. of Revenue.
2. Add provisions relative to the collection and administration of certain occupancy taxes collected or administered by local governing authorities.
3. Change the requirement that Board of Tax Appeal (board) members who have served on the board for more than two and a half terms within three consecutive terms are ineligible for reappointment to a requirement that members who have served on the board for three consecutive terms are ineligible for reappointment.
4. Add provisions that allow the board to fix salaries of certain board employees pursuant to administrative rules.
5. Add provisions that any item funded pursuant to a written agreement for a particular service shall be included in any budget request or recommendation for the board.
6. Expand the definition of state collector to include any collector of state taxes or fees or any other state agency where an agency action is appealable to the board or is related to state taxes or fees including contracts.
7. Add provisions related to the payment of certain Board of Tax Appeal judgments, including procedures for a change in claim amount, denial of a claim, and the submission for payment of a claim in an amount not exceeding \$100,000.
8. Make technical changes