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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 95 Original

2022 Regular Session

Allain

Present law authorizes local tax collectors to examine or investigate the place of business, the tangible personal property, and the books, records, papers, vouchers, accounts, and documents of any taxpayer for purposes of enforcing the local sales and use tax laws.

Proposed law retains present law and requires collectors to notify taxpayers of the proposed law multi-parish audit program when notifying taxpayers of their intent to conduct an examination or investigation.

Present law authorizes the Uniform Local Sales Tax Board to advise local sales and use tax collectors concerning the imposition, collection, and administration of local sales and use taxes and issue private letter rulings to taxpayers.

Present law provides that all meetings of the board are subject to the open meetings law.

Proposed law authorizes the board to hold executive sessions for the discussion of matters involving confidential taxpayer information including policy advice, private letter rulings, and multi-parish audits.

Proposed law requires that the records and files of the board held for the purpose of enforcement of the tax laws of this state be treated as confidential and subject to penalty for unauthorized disclosure.

Present law authorizes the Uniform Local Sales Tax Board to develop and coordinate a multi-parish audit process for taxpayers located in the state that are registered to file and remit local sales tax in three or more parishes.

Proposed law requires the board to implement and coordinate the multi-parish audit program created by proposed law.

Proposed law creates the multi-parish audit program.

Proposed law authorizes taxpayers that have a physical location in the state and that are subject to sales and use tax in three or more parishes to request a multi-parish audit whenever the taxpayer receives a notice of intent to audit from any of the parishes in which the taxpayer is required to file and remit sales and use tax.

Proposed law requires qualifying taxpayers to notify the board of their request for a multi-parish audit within 30 days of the issuance of the notice of intent to audit.

Proposed law requires the board to assist the taxpayer in identifying all parishes in which the taxpayer does business and the board will send the multi-parish audit notice to all identified parishes. Parishes will have 15 days to opt in or opt out of the multi-parish audit.

Proposed law provides that parishes that were identified by the taxpayer that opt out of a multi-parish audit will be prohibited from auditing the same taxpayer for three years from the date of completion of the multi-parish audit field work.

Proposed law requires that the board hire and compensate auditors who conduct multi-parish audits and requires these auditors to follow present law standards of conduct for contract auditors hired by local tax collectors and any additional audit protocols set forth in rules promulgated by the board.

Proposed law requires that the board facilitate consistent treatment of taxability of transactions between parishes involved in a multi-parish audit.

Proposed law requires that each parish participating in a multi-parish audit will review the audit and make an independent determination regarding the issuance of a notice of intent to assess and further provides that if issued a notice of intent to assess will interrupt prescription for the parish issuing the notice.

Proposed law provides that if a notice of intent to assess is issued, the board will coordinate an administrative hearing at the request of the taxpayer in which all parishes involved in the audit may participate.

Proposed law authorizes the board to issue rules to provide for audit procedures, hearing procedures, and any other provisions necessary for the implementation of the program.

Proposed law requires the board to report to the Senate Committee on Revenue and Fiscal Affairs and the House Committee on Ways and Means by Jan. 1, 2024, on the number of multi-parish audits initiated and completed, the percentage of local audits that are multi-parish audits, and the number of times each parish has opted in or out of the multi-parish audits. The board may also report any recommended legislative changes to the program as well as other information the board determines to be relevant.

Present law authorizes the board to enter into contracts with local tax collectors to fund the operations of the board.

Present law authorizes the vehicle commissioner to collect the local sales and use tax on motor vehicles subject to the Vehicle Registration License Tax Law.

Proposed law provides that the vehicle commissioner shall not collect the local sales and use tax on motor vehicles subject to the Vehicle Registration License Tax Law if the collector for the local taxing authority has not entered into a contract with the board to provide funding.

Proposed law suspends any agreements between collectors that have not entered into an agreement

with the board for participation in the multi-parish audit program from January 1, 2023, until a funding contract is entered into.

Effective July 1, 2022.

(Amends R.S. 47:337.36, 337.102(H) and (I)(1); adds R.S. 47:337.102(C)(10) and (I)(4))