

2022 Regular Session

SENATE BILL NO. 244

BY SENATOR ALLAIN

TAX/LOCAL. Requires uniform reporting by local sales tax collectors that are compensated based on cost of collection. (8/1/22)

1 AN ACT

2 To enact R.S. 47:337.14.1, relative to reporting requirements for certain local tax collectors;
3 to require the legislative auditor and the Louisiana Uniform Local Sales Tax Board
4 to develop uniform reporting schedules for collectors compensated on the basis of
5 cost of collection; to provide for minimum reporting requirements; to provide for the
6 due date of required reports; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 47:337.14.1 is hereby enacted to read as follows:

9 **§337.14.1. Uniform reporting for collectors**

10 **A. The legislative auditor and the Louisiana Uniform Local Sales Tax**
11 **Board shall, by generally accepted auditing standards, develop a uniform**
12 **reporting schedule for audit reports for all entities that serve as the single sales**
13 **and use tax collector for all taxing authorities within a parish that are**
14 **compensated based on the cost of collection, that requires the reporting of**
15 **information to provide a more complete and accurate understanding of how**
16 **local sales and use taxes are collected and disbursed to local taxing authorities**
17 **and the actual cost of collecting local sales and use taxes by collectors.**

1 **B. The legislative auditor and the Louisiana Uniform Local Sales Tax**
2 **Board shall require that the uniform reporting schedule for the collectors**
3 **described in Subsection A of this Section include, at a minimum:**

4 **(1) The amounts of all tax, interest, penalties, and fees collected during**
5 **the preceding year on behalf of all local taxing authorities by the collector.**

6 **(2) The total amount retained by the collector.**

7 **(3) The salary and benefits of all employees of the collector.**

8 **(4) Total payments made to all parties with whom the collector contracts**
9 **to assist with collection.**

10 **(5) The amounts disbursed to each local taxing authority.**

11 **C. The legislative auditor, jointly with the Louisiana Uniform Local Sales**
12 **Tax Board, shall develop, supervise, and require the use of uniform,**
13 **standardized, and consistent terminology for use in the reporting schedule in**
14 **order to provide for clarity.**

15 **D. Notwithstanding any provision of law to the contrary, collectors**
16 **described in Subsection A of this Section shall commence to use the uniform**
17 **reporting schedule developed by the legislative auditor by the end of Calendar**
18 **Year 2023 for collectors operating on a calendar year schedule, or the end of**
19 **Fiscal Year 2023-2024 for collectors operating on a fiscal year schedule. The**
20 **reporting schedules shall be submitted to the legislative auditor as part of the**
21 **legislative auditor's annual audit of the collector.**

22 **E. The legislative auditor shall review the reporting schedules on an**
23 **annual basis and shall revise the reporting schedules, jointly with the Louisiana**
24 **Uniform Local Sales Tax Board, as determined to be necessary.**

The original instrument was prepared by Leonore Heavey. The following digest, which does not constitute a part of the legislative instrument, was prepared by Curry J. Lann.

compensated based on the cost of collection or a set percentage of collections.

Proposed law requires the legislative auditor and the Louisiana Uniform Local Sales Tax Board to develop a uniform reporting schedule for audit reports for all collectors that are compensated based on the cost of collection in order to determine the actual cost of collecting local sales and use taxes.

Proposed law provides minimum informational requirements for the uniform reporting schedules:

- (1) The amounts of all tax, interest, penalties, and fees collected during the preceding year.
- (2) The total amount retained by the collector.
- (3) The salary and benefits of all employees of the collector.
- (4) Total payments made to all parties with whom the collector contracts to assist with collection.
- (5) The amounts disbursed to each local taxing authority.

Proposed law requires the legislative auditor and the Louisiana Uniform Local Sales Tax Board to develop reporting schedules with standardized and uniform reporting requirements.

Proposed law requires reporting to begin at the end of 2023 for collectors that operate on a calendar year basis or at the end of fiscal year 2023-24 for those collectors operating on a fiscal year basis.

Proposed law requires the reporting schedules to be submitted to the legislative auditor as part of the legislative auditor's annual audit of the collector.

Proposed law requires the legislative auditor and the Louisiana Uniform Local Sales Tax Board to review the reports annually and revise the reporting schedules as needed.

Effective August 1, 2022.

(Adds R.S. 47:337.14.1)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the original bill

1. Clarifies that the legislative auditor and the Louisiana Uniform Local Sales Tax Board are required to develop a uniform reporting schedule for audit reports.
2. Requires the reporting schedules to be submitted to the legislative auditor as part of the legislative auditor's annual audit of the collector instead of within 60 days of the close of the collector's fiscal year.
3. Provides for technical changes.