

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 681** HLS 22RS 345  
 Bill Text Version: **RE-REENGROSSED**  
 Opp. Chamb. Action: **w/ SEN COMM AMD**  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> May 11, 2022	1:16 PM	<b>Author:</b> SCHEXNAYDER
<b>Dept./Agy.:</b> LDR/Remote Sellers/Uniform Local Sales Tax Board		<b>Analyst:</b> Deborah Vivien
<b>Subject:</b> Streamlined Sales & Use Tax Commission		

TAX/SALES & USE RR1 SEE FISC NOTE See Note Page 1 of 1  
 (Constitutional Amendment) Provides relative to state and local sales and use taxes

Proposed constitutional amendment authorizes creation of a State and Local Streamlined Sales and Use Tax Commission that would implement and oversee collection and administration of all state and local sales and use taxes. Provides for the authorities, responsibilities, and membership structure of the commission (four local representatives and four state level). Provides that commission activities are funded with up to 0.5% of state and local sales tax revenue collections, and that the commission will absorb the responsibilities of the Commission for Remote Sellers and the Uniform Local Sales Tax Board. The Commission shall provide for electronic filing and collection of sales & use tax for all taxing authorities within the state, and remittance to the single collector for each local taxing authority and the state Department of Revenue, issue policy advice, and develop rules relative to the audit process. Enabling statutory provisions are required. To be submitted to the electors at the statewide election to be held on November 8, 2022.

<b>EXPENDITURES</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>					<b>\$0</b>

  

<b>REVENUES</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	<b>\$0</b>
Agy. Self-Gen.	\$0	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>					<b>\$0</b>

**EXPENDITURE EXPLANATION**

There is no anticipated direct material effect on aggregate governmental expenditures as a result of this measure. The bill contemplates necessary enabling legislation.

The proposed amendment effectively authorizes a single collection system for all sales & use taxing authorities in the state (commonly referred to as centralized sales tax collections). The commission is to be funded with up to 0.5% of state and local tax collections, as deemed reasonable and necessary by the commission for costs associated with administration and collection of sales and use taxes levied by all taxing authorities in the state; presumably, self-generated to the commission, but ultimately dependent upon enabling legislation.

The first meeting of the commission is to be held within one year following the enactment of enabling legislation, and one year following the commission's first meeting, the Louisiana Sales & Use Tax Commission for Remote Sellers and the Louisiana Uniform Local Sales Tax Board are to be abolished, and all responsibilities and employees are to be transferred to the commission.

If enabling legislation is not enacted, state and local sales & uses local taxes continue to be collected and administered as currently authorized.

**REVENUE EXPLANATION**

There is no anticipated direct material effect on aggregate governmental revenues as a result of this measure. The bill contemplates necessary enabling legislation.

The proposed amendment effectively authorizes a single collection system for all sales & use taxing authorities in the state (commonly referred to as centralized sales tax collections). The commission is to be funded with up to 0.5% of state and local tax collections, as deemed reasonable and necessary by the commission; a diversion of current state & local sales tax collections, ultimately dependent upon enabling legislation. The LA Sales and Use Tax Commission for Remote Sellers currently retains 1% of collections up to reasonable expenses and the LA Uniform Local Sales Tax Board currently retains 0.3% of local motor vehicle sales. Both of these entities would be abolished by this bill.

Once enabling statutory provisions contemplated by the bill are enacted, the commission would presumably receive self-generated revenues from the tax collections attributable to the state and local taxing authorities, with comparable reductions in net receipts to those authorities. Specific transfers of resources among the commission, the state, and local taxing authorities will depend upon enabling legislation. If enabling legislation is not enacted, state and local sales & uses local taxes continue to be collected and administered as currently authorized.

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|---|----------------------------|--|
| <u>Senate</u>   | <u>Dual Referral Rules</u> | <u>House</u>   |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}       |                            | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}                    |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H} |                            | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} |

  
**Alan M. Boxberger**  
**Interim Legislative Fiscal Officer**