

## RÉSUMÉ DIGEST

ACT 428 (SB 443)

2022 Regular Session

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Existing law authorizes qualified taxpayers to apply for state direct pay (DP) numbers allowing the purchaser to make all purchases without remitting the sales and use tax to their vendors and allowing the purchaser to report and pay the tax due directly to the Dept. of Revenue (DOR) and local tax collection authorities.

New law retains existing law.

Prior law required DOR to notify local tax collectors when a taxpayer qualifies for a DP Number and authorizes DOR and the impacted local collector to review the application and audit the taxpayer to determine if the taxpayer meets the qualifications for issuance of a DP number.

New law provides a 60-day time frame from receipt of the application by the local collector to respond to the taxpayer's request for a DP Number and further provides that if the local collector does not respond to the request within 60 days of receipt of the application, DOR will issue a state and local DP Number.

New law requires the application to be submitted to the local collector in a manner that provides actual notice of the application including but not limited to submission by certified mail that is signed for and received by the local collector.

New law provides that if the taxpayer meets the qualifications of present law for issuance of a DP number but approval is denied in writing by the local collector within 60 days of receipt of the application by the local collector, DOR shall issue a DP Number to the taxpayer applicable only for the purposes of state sales and use tax.

New law requires local collectors to notify DOR when a taxpayer no longer qualifies for a DP Number, requires DOR to investigate, and provides an appeal by a local collector to the Board of Tax Appeals if DOR does not revoke a DP Number when the taxpayer no longer qualifies.

Effective January 1, 2023.

(Amends R.S. 47:303.1(C) and (G); repeals R.S. 47:303.1(D))