

2026 Regular Session

HOUSE RESOLUTION NO. 389

BY REPRESENTATIVE WYBLE

TAX/SALES & USE: Urges and requests the Department of Revenue to study the benefit that a dealer receives from vendor's compensation as compared to the costs a dealer incurs for paying certain interchange fees

1 A RESOLUTION

2 To urge and request the Department of Revenue to study the benefit that a dealer receives
3 from vendor's compensation for state and local sales and use taxes and excise taxes
4 as compared to the costs a dealer incurs for paying interchange fees assessed on the
5 tax portion of a sale and to report findings of this study to the House Committee on
6 Ways and Means no later than January 31, 2027.

7 WHEREAS, in recognition of the public function that dealers perform when they
8 collect and remit sales and use taxes, R.S. 47:306(A)(3)(a) and (b) authorizes a dealer to
9 retain one and five hundredths percent of the state or local sales and use tax due for
10 accounting for and timely and accurately remitting the tax, capped at seven hundred and fifty
11 dollars a month, more commonly known as "vendor's compensation"; and

12 WHEREAS, dealers who collect and remit certain excise taxes, including the tobacco
13 tax (R.S. 47:851(B)(4)(b)), the tax on beverages of low alcoholic content (R.S. 26:345), the
14 gasoline and diesel fuel taxes (R.S. 47:818.22(A)), the special fuels tax (R.S.
15 47:818.119(A)), the hazardous waste disposal tax (R.S. 47:823(E)), and the oil spill
16 contingency fee (R.S. 30:2485(B)), may also receive compensation for accounting for and
17 timely and accurately remitting those excises taxes; and

18 WHEREAS, consumers have increasingly begun to rely on payment cards, such as
19 credit cards, debit cards, and check cards, for the purchase of goods and services; and

1 WHEREAS, when a consumer uses a payment card, the dealer typically incurs an
2 interchange fee from the payment card provider, which is calculated as a percentage of the
3 amount charged to the customer; and

4 WHEREAS, calculating the interchange fees typically includes the tax portion of a
5 sale, resulting in dealers paying an interchange fee not only on the price of the goods or
6 services being sold, but also on the taxes that dealers collect on behalf of the state and its
7 political subdivisions; and

8 WHEREAS, accurate estimates of the costs dealers incur when paying interchange
9 fees assessed on the tax portion of a sale as well as a comparison of those costs to the
10 amount of vendor's compensation that dealers may retain for accounting for and timely and
11 accurately remitting state and local sales and use taxes and excise taxes are needed.

12 THEREFORE, BE IT RESOLVED that the House of Representatives of the
13 Legislature of Louisiana does hereby urge and request the Department of Revenue to study
14 the benefit that a dealer receives from vendor's compensation for state and local sales and
15 use taxes and excise taxes as compared to the costs a dealer incurs for paying interchange
16 fees assessed on the tax portion of a sale and to report findings of this study to the House
17 Committee on Ways and Means no later than January 31, 2027.

18 BE IT FURTHER RESOLVED that the report shall include a short history of
19 vendor's compensation, including why it was created and how it has changed, the best
20 available estimate of the amount of state and local sales and use taxes and excise taxes
21 collected in transactions using payment cards, the best available estimate of interchange fees
22 attributable to taxes collected and remitted by dealers, the amount of vendor's compensation
23 dealers receive in accordance with present law over the same period of time, and a
24 comparison of those amounts, including the extent to which vendor's compensation offsets
25 costs attributable to interchange fees.

26 BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the
27 secretary of the Department of Revenue.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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Urges and requests the Dept. of Revenue to study the benefit that a dealer receives from vendor's compensation for state and local sales and use taxes and excise taxes as compared to the costs a dealer incurs for paying interchange fees assessed on the tax portion of a sale and to report findings of this study to the House Committee on Ways and Means no later than Jan. 31, 2027.