

2016 First Extraordinary Session

HOUSE BILL NO. 52

BY REPRESENTATIVE ABRAMSON

TAX/SALES & USE: Provides for the amount of dealer's compensation for the collection and remittance of state sales and use taxes (Item #21)

1 AN ACT

2 To amend and reenact R.S. 47:306(A)(3)(a), relative to state sales and use tax; to provide for
3 the amount of dealer compensation for the accounting for and the remittance of state
4 sales and use taxes; to provide for limitations; to provide for applicability; to provide
5 for effectiveness; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:306(A)(3)(a) is hereby amended and reenacted to read as follows:

8 §306. Returns and payment of tax; penalty for absorption

9 A. General provisions.

10 * * *

11 (3)(a) For the purpose of compensating the dealer in accounting for and
12 remitting the tax levied by this Chapter, each dealer shall be allowed .935 percent of
13 the amount of tax due and accounted for and remitted to the secretary in the form of
14 a deduction in submitting his report and paying the amount due by him, provided the
15 amount of any credit claimed for taxes already paid to a wholesaler shall not be
16 deducted in computing the commission allowed the dealer hereunder. The aggregate
17 state compensation for a dealer who operates one or more business locations within
18 Louisiana shall not exceed five thousand dollars per calendar year. This
19 compensation shall be allowed only if the payment of the dealer is timely paid and
20 the return is timely filed.

21 * * *

1 Section 2. This Act shall become effective on April 1, 2016, and shall be applicable
2 to all taxable transactions occurring on or after April 1, 2016.

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)]

HB 52 Original

2016 First Extraordinary Session

Abramson

Abstract: Relative to the collection of state sales and use taxes, imposes a \$5,000 per year limit on the amount of dealer (vendor) compensation for the collection, accounting for, and remittance of state sales and use taxes.

Present law imposes a 4% state tax upon the sale, use, consumption, storage, or rental of certain tangible personal property and certain services.

Present law requires that a dealer either monthly or quarterly transmit to the Dept. of Revenue a tax return showing the gross sales, gross proceeds from lease or rental, gross payments for lease or rental, gross proceeds derived from sales of services, or gross payments for services, arising from all of their taxable transactions during the preceding calendar month. The return shall also include a computation of taxes due.

Present law authorizes a dealer to deduct and retain an amount equal to 0.935% of taxes collected as compensation for accounting for and remitting the taxes in a timely manner.

Proposed law retains present law with respect to the rate of compensation but changes present law by imposing a \$5,000 per calendar year limit on the amount of compensation authorized for a dealer who operates one or more business locations within La.

Applicable to all taxable transactions occurring on or after April 1, 2016.

Effective April 1, 2016.

(Amends R.S. 47:306(A)(3)(a))