

2016 Regular Session

HOUSE BILL NO. 131

BY REPRESENTATIVE CONNICK

TAX/SALES & USE: (Constitutional Amendment) Authorizes the legislature to provide by law for the collection of all sales and use taxes imposed by any taxing authority in the state

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A JOINT RESOLUTION

Proposing to amend Article VI, Section 29(A) and to add Article VII, Section 3(C) of the Constitution of Louisiana, to provide for the collection of sales and use taxes levied by all taxing authorities; to authorize the legislature to provide by law for the collection of sales and use taxes; to provide for submission of the proposed amendment to the electors; and to provide for related matters.

Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members elected to each house concurring, that there shall be submitted to the electors of the state of Louisiana, for their approval or rejection in the manner provided by law, a proposal to amend Article VI, Section 29(A) of the Constitution of Louisiana, to read as follows:

§29. Local Governmental Subdivisions and School Boards; Sales Tax

Section 29.(A) Sales Tax Authorized. Except as otherwise authorized in a home rule charter as provided for in Section 4 of this Article, the governing authority of any local governmental subdivision or school board may levy ~~and collect~~ and have collected a tax upon the sale at retail, the use, the lease or rental, the consumption, and the storage for use or consumption, of tangible personal property and on sales of services as defined by law, if approved by a majority of the electors voting thereon in an election held for that purpose. The rate thereof, when combined with the rate

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

1 of all other sales and use taxes, exclusive of state sales and use taxes, levied and
2 collected within any local governmental subdivision, shall not exceed three percent.

3 * * *

4 Section 2. Be it resolved by the Legislature of Louisiana, two-thirds of the
5 members elected to each house concurring, that there shall be submitted to the
6 electors of the state of Louisiana, for their approval or rejection in the manner
7 provided by law, a proposal to add Article VII, Section 3(C) of the Constitution of
8 Louisiana, to read as follows:

9 §3. Collection of Taxes

10 Section 3.

11 * * *

12 C.(1)(a) Notwithstanding any provision of this constitution to the contrary,
13 the legislature may provide by law, enacted by a two-thirds vote of the elected
14 members of each house of the legislature, for the centralized collection of all sales
15 and use taxes levied by all taxing authorities within the state.

16 (b) Any law establishing the procedure for centralized collection shall ensure
17 the prompt remittance of the respective tax monies collected by the central collector
18 to the single collector for each parish for distribution to the respective taxing
19 authority identified on the taxpayers' returns.

20 (2) If the centralized collection of taxes is performed by the state, the taxes
21 collected shall not be commingled with state monies nor be considered state money
22 or state funds for purposes of Section 9 of this Article. The tax monies collected are
23 hereby deemed to be the property of the taxing authority which imposed the tax.

24 (3) Absent the enactment for centralized collection as provided in this
25 Paragraph, such collection shall be as provided in Paragraph (B) of this Section.

26 Section 3. Be it further resolved that this proposed amendment shall be submitted
27 to the electors of the state of Louisiana at the statewide election to be held on November 8,
28 2016.

1 Section 4. Be it further resolved that the provisions of these amendments shall
2 become effective on January 1, 2017.

3 Section 5. Be it further resolved that on the official ballot to be used at the election,
4 there shall be printed a proposition, upon which the electors of the state shall be permitted
5 to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as
6 follows:

7 Do you support an amendment to authorize the legislature to provide by law
8 for the centralized collection of all sales and use taxes levied in this state?
9 (Effective January 1, 2017) (Amends Article VI, Section 29(A); Adds Article
10 VII, Section 3(C))

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 131 Original

2016 Regular Session

Connick

Abstract: Authorizes the legislature to provide by law for the centralized collection of all sales and use taxes levied in La.

Present constitution authorizes any local governmental subdivision or school board to levy and collect taxes on the sale at retail, the use, the lease or rental, the consumption, and the storage for use or consumption, of tangible personal property and on sales of services as defined by law, if approved by a majority of the electors voting thereon in an election held for that purpose.

Present constitution requires that all local governing authorities who levy sales and use taxes within a parish agree among themselves to provide for the collection of their taxes by a single collector.

Proposed constitutional amendment changes present constitution by removing the authority of a local governmental subdivision to collect sales and use taxes it imposes, and requires instead that the legislature provide by law for the centralized collection of all sales and use taxes levied by all taxing authorities within the state.

Proposed constitutional amendment provides that if the state is the central collector that the taxes of any nonstate taxing authority shall not be commingled with state monies nor be considered state money or state funds for purposes of present constitution with respect to the deposit of funds within the state treasury.

Proposed constitutional amendment requires that any law establishing the procedure for centralized collection shall ensure the prompt remittance of the respective tax monies collected by the central collector to the single collector for each parish for distribution to the respective taxing authority identified on the taxpayers' returns.

Effective January 1, 2017.

Provides for submission of the proposed amendment to the voters at the statewide election to be held November 8, 2016.

(Amends Art. VI, §29(A); Adds Art. VII, §3(C))