

1 (B)(1) The membership of the commission shall be comprised of eight
2 members, each of whom shall be subject to Senate confirmation, as follows:

3 (a) One member appointed by the Louisiana School Boards Association or
4 its successor.

5 (b) One member appointed by the Louisiana Municipal Association or its
6 successor.

7 (c) One member appointed by the Police Jury Association of Louisiana or
8 its successor.

9 (d) One member appointed by the Louisiana Sheriffs' Association or its
10 successor.

11 (e) The secretary of the Department of Revenue, or a designee of the
12 secretary.

13 (f) One member appointed by the governor.

14 (g) One member appointed by the speaker of the House of Representatives.

15 (h) One member appointed by the president of the Senate.

16 (2) The initial members of the commission shall be appointed at the first
17 meeting.

18 (3) The commission shall have a chairman and vice-chairman and such other
19 officers as the commission deems necessary. The initial chairman of the commission
20 shall be elected by commission members at the first meeting and shall be a member
21 appointed pursuant to Subsubparagraphs (1)(a) through (d) of this Paragraph. The
22 initial vice-chairman shall be elected by commission members at the first meeting
23 and shall be a member appointed pursuant to Subsubparagraphs (1)(e) through (h)
24 of this Paragraph. Thereafter, on the anniversary of the initial election of the
25 chairman and vice-chairman, the commission shall elect as chairman a member
26 appointed pursuant to Subsubparagraphs (1)(e) through (h) of this Paragraph, and
27 shall elect as vice-chairman a member appointed pursuant to Subsubparagraphs
28 (1)(a) through (d) of this Paragraph. The election of chairman and vice-chairman
29 positions shall continue to rotate in this manner each year.

1 (C) The first meeting of the commission shall be called by the speaker of the
2 House of Representatives no later than one year following the enactment of the
3 statutory provisions as provided for in Paragraph (I) of this Section.

4 (D) The commission shall:

5 (1) Provide for the streamlined electronic filing and electronic remittance of
6 sales and use taxes levied within the state ensuring prompt remittance of the
7 respective tax returns and monies received electronically by the commission to the
8 single collector for each taxing authority established pursuant to Article VII, Section
9 3 of this constitution, and to the Department of Revenue for distribution. The tax
10 monies received shall, at all times, be and remain the property of the respective
11 taxing authorities or the state.

12 (2) Issue policy advice relative to sales and use taxes levied by all taxing
13 authorities within the state.

14 (3) Develop rules, regulations, and guidance to simplify and streamline the
15 audit process for sales and use taxpayers.

16 (E) The commission shall be funded with state and local sales and use tax
17 revenues received by the commission, which are deemed to be reasonable and
18 necessary costs of the administration and collection of sales and use taxes levied by
19 all taxing authorities within the state.

20 (F) One year following the first meeting of the commission, the Louisiana
21 Sales and Use Tax Commission for Remote Sellers and the Louisiana Uniform Local
22 Sales Tax Board shall be abolished. The powers, duties, functions, and
23 responsibilities of the Louisiana Sales and Use Tax Commission for Remote Sellers
24 and the Louisiana Uniform Local Sales Tax Board shall be transferred to, exercised
25 by, and under the administration and control of the commission. When the Louisiana
26 Sales and Use Tax Commission for Remote Sellers and the Louisiana Uniform Local
27 Sales Tax Board are abolished:

1 (1) Any reference in law to the Louisiana Sales and Use Tax Commission
2 for Remote Sellers and the Louisiana Uniform Local Sales Tax Board shall be
3 deemed to apply to the commission.

4 (2) All books, papers, records, actions, and other property, heretofore
5 possessed, controlled, or used by the Louisiana Sales and Use Tax Commission for
6 Remote Sellers and the Louisiana Uniform Local Sales Tax Board are hereby
7 transferred to the commission.

8 (3) All employees of the Louisiana Sales and Use Tax Commission for
9 Remote Sellers and the Louisiana Uniform Local Sales Tax Board shall be
10 transferred to the commission.

11 (G) The adoption or amendment of any rule by the commission shall require
12 a two-thirds vote of the members of the commission and shall be in accordance with
13 the provisions of the Administrative Procedure Act.

14 (H) All statutory provisions enacted relative to the duties, funding, or
15 obligations of the commission shall require the enactment of law by a two-thirds vote
16 of the elected members of each house of the legislature.

17 (I)(1) Absent the enactment of statutory provisions pursuant to
18 Subparagraphs (D)(1) through (3) of this Section, local sales and use tax collection
19 shall be as provided in Article VII, Section 3(B) of this Constitution and state sales
20 and use tax collection and administration shall be by the Department of Revenue as
21 provided by law.

22 (2) Any law enacting provisions pursuant to Subparagraphs (D)(1) through
23 (3) of this Section shall require a two-thirds vote of the elected members of each
24 house of the legislature. Beginning on the effective date of such law, the provisions
25 of Article VII, Section 3(B) of this Constitution shall cease to be effective and shall
26 be inapplicable, inoperable, and of no effect for the limited purposes of the
27 commission's duties as set forth in Subparagraphs (D)(1) through (3) of this Section.

1 Section 2. Be it further resolved that this proposed amendment shall be submitted
 2 to the electors of the state of Louisiana at the statewide election to be held on November 8,
 3 2022.

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

8 Do you support an amendment to streamline and simplify sales tax
 9 remittances for business taxpayers? (Adds Article VII, Section 3.1)

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 681 Re-Reengrossed

2022 Regular Session

Schexnayder

Abstract: Establishes the State and Local Streamlined Sales and Use Tax Commission.

Present law authorizes the state 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.

Present constitution authorizes the governing authority of 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 authorizes a political subdivision to exercise the power of taxation under authority granted by the legislature.

Present constitution requires all political subdivisions which levy sales and use taxes within a parish to agree among themselves to provide for the collection of sales and use taxes by a single collector or a central collection commission.

Proposed constitutional amendment creates the State and Local Streamlined Sales and Use Tax Commission (commission) as a statewide political subdivision.

Proposed constitutional amendment further provides the commission shall be comprised of eight members who shall be subject to Senate confirmation as follows:

- (1) One member appointed by the La. School Boards Association, or its successor.
- (2) One member appointed by the La. Municipal Association, or its successor.
- (3) One member appointed by the Police Jury Association of La., or its successor.

- (4) One member appointed by the La. Sheriffs' Association, or its successor.
- (5) The secretary of the Dept. of Revenue, or the designee of the secretary.
- (6) One member appointed by the governor.
- (7) One member appointed by the speaker of the House of Representatives.
- (8) One member appointed by the president of the Senate.

Proposed constitutional amendment provides that the initial members of the commission shall be appointed at the first meeting of the commission.

Proposed constitutional amendment requires the chairman and vice-chairman to be elected annually. Requires the first chairman of the commission to be a member referenced above in Paragraphs (1) through (4) and the first vice-chairman to be a member referenced above in Paragraphs (5) through (8). Further requires the following chairman to be a member referenced above in Paragraphs (5) through (8) and the vice-chairman to a member referenced above in Paragraphs (1) through (4). Requires the chairman and vice-chairman positions to rotate each year in this manner.

Proposed constitutional amendment provides that the first meeting of the commission shall be called by the speaker of the House of Representatives no later than one year following the enactment of statutory provisions pursuant to proposed constitutional amendment.

Proposed constitutional amendment provides that the duties and obligations of the commission shall be determined by law and requires a two-thirds vote of the legislature to enact any statutory provisions relative to the duties, funding, or obligations of the commission.

Proposed constitutional amendment further provides beginning on the effective date of statutory law enacted pursuant to proposed constitutional amendment, the provisions of the present constitution related to the local collection of sales and use taxes shall cease to be effective and shall be inapplicable and inoperable for the limited purposes of the commission's duties as set forth in proposed constitutional amendment.

Proposed constitutional amendment provides that absent the enactment of statutory provisions pursuant to proposed constitutional amendment, local sales and use tax collection shall be as provided for in the present constitution and state sales and use tax collection shall be as provided by present law.

Proposed constitutional amendment provides that the commission shall provide for streamlined electronic filing and electronic remittance of all sales and use taxes levied within the state. Further provides for prompt remittance of all monies collected and specifies that monies collected shall be the property of the respective taxing authority levying the tax.

Proposed constitutional amendment requires the commission to issue policy advice and to develop rules, regulations, and guidance to simplify and streamline the audit process for sales and use taxpayers.

Proposed constitutional amendment requires the commission to be funded by both state and local sales and use tax revenues considered by the commission to be reasonable and necessary costs of administration and collection of sales and use taxes.

Proposed constitutional amendment provides that one year following the first meeting of the commission, the La. Sales and Use Tax Commission for Remote Sellers and the La. Uniform Local Sales Tax Board shall be abolished.

Proposed constitutional amendment provides that the powers, duties, functions, and responsibilities of these entities shall be transferred to the commission. Provides that any reference in law to the La. Sales and Use Tax Commission for Remote Sellers and the La. Uniform Local Sales Tax Board shall be deemed to apply to the commission. Further provides that all books, papers, records, actions, property, and employees of La. Sales and Use Tax Commission for Remote Sellers and the La. Uniform Local Sales Tax Board shall be transferred to the commission.

Proposed constitutional amendment provides that the adoption or amendment of any administrative rule of the commission shall require a vote of two-thirds of the members and shall be in accordance with the provisions of the Administrative Procedure Act.

Provides for submission of the proposed amendment to the voters at the statewide election to be held Nov. 8, 2022.

(Adds Const. Art. VII, §3.1)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the original bill:

1. Change the name of the commission from the Streamlined Sales and Use Tax Commission to the State and Local Streamlined Sales and Use Tax Commission.
2. Provide that present constitution provisions related to the local collection of sales and use taxes shall cease to be effective and shall be inapplicable and inoperable for the limited purposes of the proposed constitutional amendment when statutory provisions enacted pursuant to proposed law become effective.
3. Require the commission to be funded by both state and local sales and use tax revenues collected and deemed by the commission to be reasonable and necessary costs of the administration and collection of sales and use taxes.
4. Provide that when the La. Sales and Use Tax Commission for Remote Sellers and the La. Uniform Local Sales Tax Board are abolished one year after the first meeting of the commission, all references in law to these entities shall be deemed to apply to the commission and all books, papers, records, actions, property, and employees of these entities shall be transferred to the commission.

The Committee Amendments Proposed by House Committee on Civil Law and Procedure to the engrossed bill:

1. Amend the ballot language.

The House Floor Amendments to the reengrossed bill:

1. Require the appointment of commission members to be subject to Senate confirmation.
2. Change the appointment of initial members of the commission from no later than one year following the effective date of proposed constitutional amendment to at the first meeting of the commission.
3. Change the deadline for calling the first meeting of the commission from two years following the effective date of proposed constitutional amendment to one year following enactment of statutory provisions as required by proposed constitutional amendment.

4. Change the duties of the commission from providing for streamlined electronic filing, electronic remittance, and the collection of sales and use taxes to providing for streamlined electronic filing and electronic remittance of sales and use taxes.