

## RÉSUMÉ DIGEST

ACT 5 (HB 17)

2018 Second Extraordinary Session

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Existing law defines "dealer" for purposes of state and local sales and use taxes as a person who manufactures or produces tangible personal property for sale at retail, for use or consumption, or distribution, or for storage to be used or consumed in a taxing jurisdiction.

New law expands the definition of "dealer" to include a person who does not have a physical presence in the state and who sells for delivery into La. tangible personal property, products transferred electronically, or services, if either:

- (1) The person's gross revenue from sales in La. exceeds \$100,000; or
- (2) The person engaged in 200 or more separate transactions in La.

Existing law establishes the La. Sales and Use Tax Commission for Remote Sellers (commission) within the Dept. of Revenue to serve as the single entity in La. to require remote dealers to collect and remit state and local sales and use taxes on remote sales sourced to La. pursuant to federal law authorizing states to require remote dealers to collect tax.

New law adds final rulings by the U. S. Supreme Court as a source of authority by which states may be authorized to require remote dealers to collect and remit state and local sales and use taxes.

New law provides that a person may voluntarily register as a dealer for purposes of collecting the additional sales tax regardless of their revenue or number of sales.

Existing law authorizes reimbursement of the amount of La. sales taxes paid by a property owner on tangible personal property that is part of and used in a person's home that is destroyed by a natural disaster that is subsequently determined by the U.S. President to warrant assistance by the federal government, for which no reimbursement was received by insurance or otherwise. Further provides for administrative requirements for requesting a refund from the collector and for payment of the refund to the property owner.

New law extends the refund authorized under existing law to tangible personal property, including construction materials, that was a part of and used in a nonpublic school which sustained damage in the flooding disaster which occurred in August 2016, which event was the subject of a gubernatorial proclamation and numerous executive orders. Further requires that in order to be eligible for the La. sales tax refund, the owner of the nonpublic school must meet the same eligibility and administrative requirements as is provided for in existing law for receipt of the refund as well as require that the school be eligible to participate in the Federal Emergency Management Agency Public Assistance grant program.

New law is applicable to all taxable periods beginning on or after the date of the final ruling by the U. S. Supreme Court in *South Dakota v. Wayfair Inc, Overstock.Com, Inc., and Newegg Inc.*, No. 17-494 (U.S. filed Oct. 2, 2017) finding South Dakota 2016 Senate Bill No. 106 constitutional.

Effective June 12, 2018.

(Amends R.S. 47:315.1(A) and 339(A)(2) and (B)(3); Adds R.S. 47:301(4)(m) and 302(W)(6))