

SENATE SUMMARY OF HOUSE AMENDMENTS

SB 239

2018 Regular Session

Morrell

KEYWORD AND SUMMARY AS RETURNED TO THE SENATE

REVENUE DEPARTMENT. Authorizes the secretary of the Department of Revenue to refuse to register or issue or may revoke a state sales tax resale certificate to new business if the business reorganization was intended to evade payment of sale and use or withholding tax. (7/1/18)

SUMMARY OF HOUSE AMENDMENTS TO THE SENATE BILL

1. Clarify that proposed law applies to businesses which reorganize to evade the payment of taxes that have been collected but not remitted to the Department of Revenue.

DIGEST OF THE SENATE BILL AS RETURNED TO THE SENATE

SB 239 Engrossed

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Proposed law authorizes the secretary of the Dept. of Revenue (DOR) to refuse to register or issue or may revoke a state sales tax resale certificate to a reorganized business when the intent of the reorganization is to evade sales and use tax or withholding tax when the taxes have been collected and not remitted to the DOR.

Proposed law defines reorganization as a transfer of assets between businesses with significant shared ownership or management, a mere change in ownership form, or significant shared features between the old and new business.

Proposed law requires that all tax, interest, and penalty due be paid before the business will be registered or the resale certificate will be issued.

Proposed law imposes a penalty of \$5,000 for a reorganization of a business with the purpose of evading taxes that were collected but not remitted to DOR.

Effective on July 1, 2018.

(Adds R.S. 47:1574.2)

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