

## RÉSUMÉ DIGEST

**ACT 527 (SB 239)**

**2018 Regular Session**

**Morrell**

New 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.

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.

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

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)