

**LEGISLATIVE FISCAL OFFICE
Fiscal Note**



Fiscal Note On: **SB 138** SLS 20RS 347
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: May 6, 2020	2:25 PM	Author: ALLAIN
Dept./Agy.: Revenue		Analyst: Benjamin Vincent
Subject: Marketplace Facilitators: Sales & Use Tax Collections		

TAX/SALES OR SEE FISC NOTE GF RV Page 1 of 1
 Provides for sales and use tax collection by marketplace facilitators. (1/1/21)

Present law requires dealers to collect, file, and remit consumer use tax collections related to remote seller transactions.

Proposed law includes marketplace facilitators under the definition of remote sellers and requires marketplace facilitators to register, calculate remote sales and determine taxability, collect and electronically file and remit sales and use tax to the Sales and Use Tax Commission for Remote Sellers for taxable remote sales, when the facilitator transacts on its own behalf or facilitates a transaction for delivery into the state. Proposed law repeals the requirement for dealers to file all applicable returns and remittances.

Effective January 1, 2021.

EXPENDITURES	2020-21	2021-22	2022-23	2023-24	2024-25	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2020-21	2021-22	2022-23	2023-24	2024-25	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Annual Total						

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

REVENUE EXPLANATION

Proposed law takes effect January 1, 2021. Present law provides that effective July 1, 2020, remote sellers and marketplaces will be required to file and collect at the appropriate tax rate for every applicable jurisdiction.

Proposed law would effectively shift responsibility for calculation, reporting, filing and remittance from marketplace remote sellers to marketplace facilitators, for applicable transactions. Sales tax from sellers without physical presence in the state (remote sales broadly considered) have been accumulating in total state and local sales tax receipts for a number of years, and no significant effect on state or local sales and use tax collections is anticipated to be discernable due to proposed law. To the extent that proposed law enhances compliance and enforcement, state and local revenues may increase, but potential revenue gains are speculative.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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