The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by LG Sullivan.

DIGEST 2021 Regular Session

Milligan

<u>Present constitution</u> 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.

<u>Present constitution</u> authorizes a political subdivision to exercise the power of taxation under authority granted by the legislature.

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

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

Proposed constitutional amendment provides for eight commission members:

- (1) One member appointed by the La. School Boards Association.
- (2) One member appointed by the La. Municipal Association.
- (3) One member appointed by the Police Jury Association of La.
- (4) One member appointed by the La. Sheriffs' Association.
- (5) The secretary of the Dept. of Revenue, or the designee of the secretary.
- (6) One member appointed by the governor.

SB Original

- (7) One member appointed by the speaker of the House of Representatives.
- (8) One member appointed by the president of the Senate.

<u>Proposed constitutional amendment</u> authorizes each commission member to appoint a designee to attend meetings and to vote by proxy on behalf of the member.

Proposed constitutional amendment requires the chair and vice chair to be elected annually. Requires

the first chair to be a member representing local political subdivisions and the first vice chair to be a member representing the state. Requires the following chair to be a member representing the state and the vice chair to be a member representing local political subdivisions. Requires the chair and vice chair positions to be rotated annually in this manner.

<u>Proposed constitutional amendment</u> requires a vote of two-thirds of the members of the commission for the adoption or amendment of its administrative and operational rules.

<u>Proposed constitutional amendment</u> requires the commission to provide for streamlined electronic filing and remittance of all sales and use taxes levied in the state. Specifies that monies collected remain the property of the respective taxing authority.

<u>Proposed constitutional amendment</u> requires the commission to serve as the administrative entity to issue policy advice and to promulgate rules relative to sales and use taxes levied by all taxing authorities within the state. Further requires the commission to serve as the central audit entity for all taxpayers without a physical presence in La.

<u>Proposed constitutional amendment</u> requires costs of the commission considered reasonable and necessary to be funded by both state and local sales and use tax revenues

<u>Proposed constitutional amendment</u> abolishes the La. Sales and Use Tax Commission for Remote Sellers and the La. Uniform Local Sales Tax Board and transfers the powers, duties, and authority of these entities to the commission.

<u>Proposed constitutional amendment</u> requires a two-thirds vote of the legislature to enact all statutory provisions relative to membership, duties, or obligations of the commission.

Provides for submission of the <u>proposed constitutional amendment</u> to the voters at the statewide election to be held Nov. 8, 2022.

(Adds Const. Art. VII, §3.1)