SLS 22RS-383 ORIGINAL

2022 Regular Session

SENATE BILL NO. 244

BY SENATOR ALLAIN

1

TAX/LOCAL. Requires uniform reporting by local sales tax collectors that are compensated based on cost of collection. (8/1/22)

AN ACT

2 To enact R.S. 47:337.14.1, relative to reporting requirements for certain local tax collectors; 3 to require the legislative auditor and the Louisiana Uniform Local Sales Tax Board to develop uniform reporting requirements for collectors compensated on the basis 4 5 of cost of collection; to provide for minimum reporting requirements; to provide for 6 the due date of required reports; and to provide for related matters. 7 Be it enacted by the Legislature of Louisiana: 8 Section 1. R.S. 47:337.14.1 is hereby enacted to read as follows: 9 §337.14.1. Uniform reporting for collectors A. The legislative auditor and the Louisiana Uniform Local Sales Tax 10 11 Board shall, by generally accepted auditing standards, develop a uniform format for audit reports for all entities that serve as the single sales and use tax 12 13 collector for all taxing authorities within a parish that are compensated based 14 on the cost of collection, that requires the reporting of information to provide a more complete and accurate understanding of how local sales and use taxes 15 are collected and disbursed to local taxing authorities and the actual cost of 16 collecting local sales and use taxes by collectors. 17

1	B. The legislative auditor and the Louisiana Uniform Local Sales Tax
2	Board shall require that such uniform audit reports for the collectors described
3	in Subsection A of this Section include, at a minimum:
4	(1) The amounts of all tax, interest, penalties, and fees collected during
5	the preceding year on behalf of all local taxing authorities by the collector.
6	(2) The total amount retained by the collector.
7	(3) The salary and benefits of all employees of the collector.
8	(4) Total payments made to all parties with whom the collector contracts
9	to assist with collection.
10	(5) The amounts disbursed to each local taxing authority.
11	C. The legislative auditor, jointly with the Louisiana Uniform Local Sales
12	Tax Board, shall develop, supervise, and require the use of uniform,
13	standardized, and consistent terminology for use in reporting in order to
14	provide for clarity.
15	D. Notwithstanding any provision of law to the contrary, collectors
16	described in Subsection A of this Section shall commence to use the uniform
17	audit reports developed by the legislative auditor by the end of Calendar Year
18	2023 for collectors operating on a calendar year schedule, or the end of Fiscal
19	Year 2023-2024 for collectors operating on a fiscal year schedule. The reporting
20	schedules shall be submitted to the legislative auditor within sixty days after the
21	close of the collector's fiscal year.
22	E. The legislative auditor shall review the reporting schedules on an
23	annual basis and shall revise the reporting schedules, jointly with the Louisiana
24	Uniform Local Sales Tax Board, as determined to be necessary.
	The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Leonore Heavey.

DIGEST 2022 Regular Session

Allain

SB 244 Original

<u>Present law</u> requires that the sales and use taxes levied by local taxing authorities be collected by a single collector for each parish and permits the single collector to be compensated based on the cost of collection or a set percentage of collections.

Page 2 of 3

Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

<u>Proposed law</u> requires the legislative auditor and the Louisiana Uniform Local Sales Tax Board to develop a uniform reporting format for all collectors that are compensated based on the cost of collection in order to determine the actual cost of collecting local sales and use taxes.

Proposed law provides minimum informational requirements for the uniform audit reports:

- (1) The amounts of all tax, interest, penalties, and fees collected during the preceding year.
- (2) The total amount retained by the collector.
- (3) The salary and benefits of all employees of the collector.
- (4) Total payments made to all parties with whom the collector contracts to assist with collection.
- (5) The amounts disbursed to each local taxing authority.

<u>Proposed law</u> requires the legislative auditor and the Louisiana Uniform Local Sales Tax Board to develop reporting schedules with standardized and uniform reporting requirements.

<u>Proposed law</u> requires reporting to begin at the end of 2023 for collectors that operate on a calendar year basis or at the end of fiscal year 2023-24 for those collectors operating on a fiscal year basis.

<u>Proposed law</u> requires the reports to be submitted to the legislative auditor within 60 days of the close of the collector's fiscal year.

<u>Proposed law</u> requires the legislative auditor and the Louisiana Uniform Local Sales Tax Board to review the reports annually and revise the reporting schedules as needed.

Effective August 1, 2022.

(Adds R.S. 47:337.14.1)