

2026 Regular Session

HOUSE BILL NO. 658

BY REPRESENTATIVE CARLSON

TAX/SALES & USE: Provides for centralized collection of local sales and use taxes by the Dept. of Revenue

1 AN ACT

2 To amend and reenact R.S. 47:337.6(A), 337.16, 337.25, 337.64(A), and
3 337.80(A)(introductory paragraph), to enact R.S. 47:337.22(F) and 337.23(J), and
4 to repeal R.S. 47:337.13 and 337.14, relative to the collection of local sales and use
5 taxes; to require that all sales and use taxes levied by any local taxing authority be
6 collected by the state; to provide for the duties and authority of the secretary of the
7 Department of Revenue; to provide for the accounting and disposition of local taxes
8 collected; to require reporting; to authorize the inspection of certain records; to
9 provide for certain administrative remedies; to authorize administrative rulemaking;
10 to repeal certain provisions relating to local collection of sales and use taxes; to
11 provide for effectiveness; and to provide for related matters.

12 Be it enacted by the Legislature of Louisiana:

13 Section 1. R.S. 47:337.6(A), 337.16, 337.25, 337.64(A), and 337.80(A)(introductory
14 paragraph) are hereby amended and reenacted and R.S. 47:337.22(F) and 337.23(J) are
15 hereby enacted to read as follows:

16 §337.6. Definitions

17 A. The following words, terms, and phrases used in this Chapter shall have
18 the meaning ascribed to them in this Subsection, unless the context clearly indicates
19 a different meaning:

20 (1) "Collector" means the secretary of the Department of Revenue.

1 ~~paid by the taxing authorities, and such other terms and conditions necessary to~~
2 ~~effectuate the contract.~~ The secretary shall establish a program for the collection and
3 distribution of sales and use taxes levied by all local taxing authorities in the state.
4 The avails of these taxes are referred to hereafter in this Part as "nonstate tax
5 proceeds". Within the department there shall be a specific staff with the primary
6 responsibility of ensuring the prompt collection and remittance of nonstate tax
7 proceeds. A member of the staff shall be available every day of the year,
8 twenty-four hours per day. The department shall provide for and maintain a system
9 which allows for the sharing of real time data on the collection of taxes for the
10 benefit of the local taxing authorities for which the taxes are collected.

11 C. The program shall provide for the transmission of the nonstate tax
12 proceeds to each respective local collector as follows: taxes collected by electronic
13 means shall be transmitted within four days of receipt, and taxes collected by check
14 shall be transmitted within twenty days of receipt. The method for accounting and
15 distribution of nonstate tax proceeds shall be determined by agreement of the
16 secretary and the state treasurer, and nonstate tax proceeds shall not be considered
17 state monies and shall therefore not be subject to appropriation. The secretary shall
18 deduct an amount not greater than one-half of one percent of the taxes collected as
19 compensation for the collection service and to provide for continued support of the
20 staff assigned to this function. The fee to be charged for collection on behalf of each
21 taxing authority shall be determined by agreement of the secretary and the respective
22 taxing authority.

23 D. No later than February 1, 2027, the single collector for each parish shall
24 provide the secretary with a copy of all local ordinances affecting the imposition of
25 sales and use taxes in the parish and shall notify the secretary within ten days after
26 approval of any action imposing a new tax or otherwise affecting the imposition of
27 an existing tax. The notice shall be issued no later than seventy-five days prior to the
28 effective date of the change and shall specify the tax rate or base change and the time
29 period during which the change shall be in effect. The notice shall also include a

1 copy of the local tax ordinance and any other information as may be required by the
2 secretary.

3 E. The secretary shall cause a monthly reconciliation of the account for each
4 parish to be conducted. The reconciliation shall provide detailed information
5 regarding the amounts of tax collected and remitted to the local collector.

6 F.(1) On a quarterly basis, the secretary shall provide a report of the taxes
7 collected and the cost of collection to each separate local taxing authority for which
8 sales and use taxes were collected and remitted pursuant to this Section. The report
9 shall include the name, address, and account number of each person from whom the
10 secretary has collected a tax payment, or to whom he has made a refund payment or
11 credit, during the quarter covered by the report.

12 (2) Upon the request of a local taxing authority, the secretary shall make an
13 additional quarterly report to the taxing authority that includes the amount of tax due
14 from each person identified by the secretary as doing business in the jurisdiction of
15 the taxing authority who has failed to pay the taxes determined to be due by the
16 secretary. The additional report shall state whether there has been a partial tax
17 payment by the delinquent taxpayer and whether the taxpayer is also delinquent in
18 the payment of state sales and use taxes. The report shall also include an explanation
19 of any action taken by the secretary to collect the delinquent taxes owed to the taxing
20 authority.

21 (3) If the local taxing authority determines that a person doing business in
22 its jurisdiction is not included in the report, the taxing authority may provide to the
23 secretary the name and address of the person, and within ninety days of receipt of the
24 information, the secretary shall send one of the following to the taxing authority:

25 (a) An explanation as to why the person is not obligated to pay the tax.

26 (b) A statement that the person is obligated to pay the tax and that the tax is
27 delinquent.

- 1 Section 2. R.S. 47:337.13 and 337.14 are hereby repealed in their entirety.
- 2 Section 3. This Act shall become effective on January 1, 2027, but only if the
- 3 proposed amendment of Articles VI and VII of the Constitution of Louisiana contained in
- 4 the Act which originated as House Bill No. ____ of this 2026 Regular Session of the
- 5 Legislature is adopted at a statewide election and becomes effective.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 658 Original

2026 Regular Session

Carlson

Abstract: Transfers responsibility for the collection of all local sales and use taxes to the secretary of the Dept. of Revenue (DOR) beginning July 1, 2027, with duties for enforcement and administration of local sales and use tax to remain with local tax collectors.

Present constitution authorizes local governments and other political subdivisions to levy and collect sales and use taxes. Requires each parish to have a single tax collector or single collection commission for all taxing authorities in the parish.

Present law authorizes the secretary of DOR ("secretary") to contract with the governing authority of a local taxing authority ("taxing authority"), at the request of the authority, to collect and enforce the collection of its sales and use taxes and related penalties, interest, or other charges.

Proposed law requires that all sales and use taxes levied by any taxing authority in the state shall be collected by the secretary, beginning July 1, 2027. Requires the secretary to adopt rules and regulations and prescribe forms for the collection of these taxes.

Proposed law requires the establishment of a program for the collection and distribution of local sales and use taxes ("nonstate tax proceeds"), to include the designation of specific staff within the department with the primary responsibility of ensuring the prompt collection and remittance of nonstate tax proceeds. Requires that a staff member be available every day of the year, 24 hours per day. Requires the DOR to provide for and maintain a system which allows for sharing of real time data on the collection of local taxes for the benefit of the local taxing authorities for whom the taxes are collected.

Proposed law requires that nonstate tax proceeds be transmitted to each respective local collector as follows: taxes collected by electronic means shall be transmitted within four days of receipt, and taxes collected by check shall be transmitted within 20 days of receipt. Requires the state treasurer and the secretary to determine the method for accounting and distribution of nonstate tax proceeds. Stipulates that these monies shall not be considered state monies and shall not be subject to appropriation.

Proposed law provides that the distribution of nonstate tax proceeds shall be conducted without necessity of an appropriation. Requires the secretary to deduct an amount not greater than one-half of 1% of the taxes collected as compensation for the collection service and to provide for continued support of the staff assigned to this function. Provides that the fee to be charged for collection on behalf of each taxing authority shall be determined by agreement of the secretary and the respective taxing authority.

Proposed law stipulates that the secretary shall have no duty or authority to in any way administer the levy and enforcement of any tax levied by any local taxing authority. Further, provides that all responsibility for administration and enforcement of sales and use taxes, including the consideration and payment of refund claims, shall remain with the local taxing authority levying the tax.

Proposed law requires the single collector in each parish, by Feb. 1, 2027, to provide to the secretary copies of all local ordinances affecting sales and use taxes imposed in the parish. Requires further that a local taxing authority levying a sales and use tax shall notify the secretary within 10 days after approval, and no later than 75 days prior to the effective date, of any action concerning a new tax or the imposition of an existing tax.

Proposed law requires the secretary to prepare a monthly reconciliation of the account for each parish. Requires that the reconciliation feature detailed information regarding the amounts of tax collected and remitted to the local collector.

Proposed law requires the secretary to provide to each taxing authority a quarterly report of taxes collected and the cost of collection. Requires taxing authorities to report to the secretary the names of any persons doing business in the jurisdiction of the taxing authority that are not included in the quarterly report.

Proposed law authorizes a taxing authority to request an additional report of persons doing business in its jurisdiction who have failed to pay taxes due, which report shall include information regarding partial payments, delinquent taxes, and steps taken to collect the tax due, and provides for the information to be included in the secretary's report.

Proposed law authorizes, not more than twice per year, the governing authority of a taxing authority to request to investigate the records of the DOR concerning the collection of the taxes it levies. Requires the secretary to acknowledge the request and respond within 10 days. Provides that the investigation may occur no more than 20 days after the date of the secretary's response or at the convenience of the taxing authority, whichever is later. Requires the legislative auditor, upon request of the taxing authority or the secretary and to the degree practicable, to provide assistance in the investigation of the records.

Proposed law stipulates that the collection by the secretary of sales and use taxes levied by a taxing authority is subject to the provisions of present law that govern collection of state sales and use taxes.

Present law requires that any sales and use tax levied by taxing authorities located within a single parish may be collected by a single tax collector for that parish and provides for contract collection agreements and joint sales and use tax commissions as mechanisms for collection of local sales and use taxes. Proposed law repeals present law.

Present law requires that local sales and use taxes be collected by a central collection commission in those parishes where a single collector has not been established by July 1, 1992, and provides for the composition and authority of the commission. Proposed law repeals present law.

Effective Jan. 1, 2027, if the proposed amendment of Articles VI and VII of the Constitution of La. contained in the Act which originated as House Bill No. ___ of this 2026 R.S. is adopted at a statewide election and becomes effective.

(Amends R.S. 47:337.6(A), 337.16, 337.25, 337.64(A), and 337.80(A)(intro. para.); Adds R.S. 47:337.22(F) and 337.23(J); Repeals R.S. 47:337.13 and 337.14)