

New law enacts the "Louisiana Tax Delinquency Amnesty Act of 2013" which requires the Dept. of Revenue (DOR) to develop and implement a tax amnesty program to be effective for the following three periods of time, the specific dates of which shall be determined by the secretary of DOR (secretary):

- (1) A period of at least two months duration occurring prior to Dec. 31, 2013.
- (2) A period of at least one month occurring between July 1, 2014 and Dec. 31, 2014.
- (3) A period of at least one month occurring between July 1, 2015 and Dec. 31, 2015.

The amnesty program applies to all taxes administered by DOR, except for motor fuel taxes, and penalties for failure to submit information reports that are not based on an underpayment of tax.

New law provides that the amnesty program shall apply to taxes for all of the following:

- (1) Taxes due prior to Jan. 1, 2013, for which DOR has issued a proposed assessment, notice of assessment, bill, notice, or demand for payment not later than May 31, 2013.
- (2) Taxes for taxable periods that began before Jan. 1, 2013.
- (3) Taxes for which the taxpayer and DOR have entered into an agreement to interrupt prescription until Dec. 31, 2013.

New law authorizes amnesty only for a taxpayer who applies for amnesty during the amnesty period and who pays all of the tax, fees, costs, and interest due upon filing the amnesty application. The secretary may waive penalties and interest associated with the tax periods for which amnesty is applied as follows:

- (1) All penalties and 50% of the interest owed if the amnesty application is approved during the 2013 amnesty period.
- (2) 15% of penalties owed if the amnesty application is approved during the 2014 amnesty period.
- (3) 10% of penalties owed if the amnesty application is approved during the 2015 amnesty period.

New law authorizes DOR to retain from monies collected under the tax amnesty program an amount equal to all penalties waived, an amount equal to the costs for contractual information technology and amnesty program administration services, and an amount equal to any collection fees, legal fees, or any other fees the department incurs that are associated with granting amnesty.

New law establishes the 2013 Amnesty Collections Fund, hereinafter "fund", as a special treasury fund. After compliance with requirements of the Bond Security and Redemption Fund, and after the allocation of collections to DOR as provided in new law, all remaining monies shall be credited to the fund, and shall be available for appropriation for any public purpose.

New law further authorizes the secretary to procure amnesty program administration services on a fee basis; however, the fee for such services shall not exceed 10% of total collections.

New law requires that DOR publicize the tax amnesty program. Included in any publication shall be notice that the tax amnesty program will include amnesty for sales and use taxes due but not collected on purchases from remote sellers.

New law provides various requirements relative to amnesty for matters under examination or litigation.

New law prohibits the extension of amnesty to a taxpayer who is party to any criminal investigation or litigation in any court of the U.S. or La. for nonpayment, delinquency, or fraud in relation to any state tax administered by DOR.

New law authorizes DOR, by regulation after the expiration of the tax amnesty period, a cost of collection penalty not to exceed 20% of any deficiency assessed for any taxable period for which amnesty was taken. This penalty shall be in addition to all other applicable penalties, fees, or costs.

New law authorizes tax refunds or credits associated with overpayments arising after the amnesty application is submitted under certain circumstances.

New law provides that if a taxpayer who participated in an amnesty fails to comply with any payment or filing provision of law during the five-year period beginning after the year in which the amnesty was granted, the taxpayer shall be subject to the negligence penalty under existing law or a penalty of \$100, whichever is greater.

Effective June 21, 2013.