The original instrument was prepared by Leonore Heavey. The following digest, which does not constitute a part of the legislative instrument, was prepared by Ann S. Brown.

## DIGEST 2020 Regular Session

Allain

<u>Present law</u> requires local sales and use tax collectors to determine the tax, penalty, and interest due when a taxpayer fails to file a sales and use tax return and prohibits the taxpayer from appealing this estimated assessment to the Board of Tax Appeals.

<u>Proposed law</u> retains <u>present law</u> estimated assessment authority and allows taxpayers to consider any right pursuant to <u>proposed law</u> or other applicable law.

<u>Proposed law</u> states that if the estimated tax amount exceeds \$100,000, a taxpayer who has never filed a return or has never been the subject of any actions pursuant to collection and has no physical presence in the state may take any action authorized by <u>present law</u> within the applicable deadline for action.

<u>Present law</u> authorizes local tax collectors to collect local sales and use tax by summary court proceeding.

<u>Proposed law</u> retains the ability of local collectors to use summary proceedings to collect local sales and use taxes, but limits the use of summary proceedings to the following circumstances:

- (1) The collection of a tax assessment that has become final, a bankruptcy receiver has been appointed for the taxpayer, or the taxpayer self-assessed the amount shown due on the return.
- (2) A jeopardy assessment has been or could be issued against the taxpayer.
- (3) A rule to cease business has been or is concurrently brought against the taxpayer.
- (4) The matter involves the collector's authority to enforce collection of taxes collected from others.
- (5) A taxpayer or dealer has failed to make and file any required return or report where the collector estimates the tax due to be less than \$100,000.

<u>Proposed law</u> provides specific instructions on how collectors shall compute all refunds or credits and allow interest as part of the refund or credit.

Effective July 1, 2020.

SB 164 Reengrossed

(Amends R.S. 47:337.51(A)(2); adds R.S. 47:337.51(A)(4), 337.61(5) and 337.80(A)(4) and (D))

## Summary of Amendments Adopted by Senate

## Senate Floor Amendments to engrossed bill

- 1. Authorizes certain tax payers to protest estimated assessments with the Board of Tax Appeals.
- 2. Allows collectors to use summary court proceedings for estimated tax amount of less than \$100,000.
- 3. Provides specific instructions on how collectors shall compute all refunds or credits and allows interest as part of the refund or credit.