

2023 Regular Session

HOUSE BILL NO. 558

BY REPRESENTATIVE BEAULLIEU

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

REVENUE DEPARTMENT: Provides for the collection and remittance of state and local sales and use taxes

1 AN ACT

2 To amend and reenact R.S. 47:337.23 and 337.102(C) and (I)(1) and (2)(a) and to enact R.S.  
3 47:337.102(I)(4), relative to the collection and remittance of sales and use taxes; to  
4 provide with respect to the duties of the Louisiana Uniform Local Sales Tax Board;  
5 to provide for the responsibilities of the Department of Revenue with respect to the  
6 collection and remittance of sales and use taxes; to provide relative to the Uniform  
7 Electronic Local Return and Remittance Advisory Committee; to require the board  
8 to manage and maintain a uniform electronic local return and remittance system; to  
9 require the board to design and implement a single remittance system for state and  
10 local sales and use taxes; to provide for the operation of the single remittance  
11 system; to provide for requirements and limitations; to provide for the funding of  
12 certain technology and programs; to provide for an effective date; and to provide for  
13 related matters.

14 Be it enacted by the Legislature of Louisiana:

15 Section 1. R.S. 47:337.23 and 337.102(C) and (I)(1) and (2)(a) are hereby amended  
16 and reenacted and R.S. 47:337.102(I)(4) is hereby enacted to read as follows:

17 §337.23. Uniform electronic local return and remittance system; official record of  
18 tax rates and exemptions; filing and remittance of local sales and use taxes;  
19 penalties for violations

1           A.(1) The legislature recognizes both the need to make Louisiana a better  
2 environment in which to do business and the complexities of the existing sales and  
3 use tax system. It is the intention of this Section to provide taxpayers with a simple,  
4 efficient, and cost-effective means of transmitting accurate sales and use tax returns  
5 and remittances to political subdivisions of the state from a central site in the  
6 quickest manner possible.

7           (2) ~~Notwithstanding any other law to the contrary, beginning on the date~~  
8 ~~provided for in Subsection H of this Section, but no later than January 1, 2005, a~~ A  
9 taxpayer may file a sales and use tax return of a taxing authority and remit any tax,  
10 interest, penalty, or other charge due by means of the uniform electronic local return  
11 and remittance system provided for in this Section unless insufficient funds are  
12 appropriated to fund the system as provided for in Subsection J of this Section.

13           B.(1) The system by which such taxpayers file electronically and pay their  
14 taxes and by which the information provided for in Subsection ~~F~~ H of this Section is  
15 to be posted on the internet shall be ~~established~~, managed, maintained, and  
16 supervised by the ~~secretary of the Department of Revenue~~ Louisiana Uniform Local  
17 Sales Tax Board, hereinafter referred to in this Section as the "board". The Uniform  
18 Electronic Local Return and Remittance Advisory Committee shall provide advice  
19 and may make enforceable recommendations to the ~~secretary~~ board for his  
20 consideration with regard to the design, implementation, ~~and operation, and~~  
21 maintenance of the system in the manner provided for by this Section. The advisory  
22 committee is hereby created ~~within the Department of Revenue~~ under the jurisdiction  
23 of the board and shall be composed of the following members:

24           (a) The secretary of the Department of Revenue or his designee.

25           (b) The chairman of the ~~Louisiana Uniform Local Sales Tax Board~~ board ,  
26 or in the absence of the chairman, the vice chairman of the board, who shall serve as  
27 chair of the advisory committee.

1 (c) A member appointed by the governor from a list of three names provided  
2 ~~to him~~ by the Louisiana Society of Certified Public Accountants, to serve at the  
3 pleasure of the governor.

4 (d) The head of a collector's office, appointed by the ~~Louisiana Uniform~~  
5 ~~Local Sales Tax Board~~ board from a list of three names provided by the board of  
6 directors of the Louisiana Association of Tax Administrators, to serve for a three-  
7 year term.

8 (e) A representative of a business that is required to file sales and use tax  
9 returns for multiple collectors in the state, who shall be appointed by the governor  
10 from a list of three names provided ~~to him~~ jointly by the Louisiana Retailers  
11 Association and the Louisiana Association of Business and Industry. The member  
12 shall serve at the pleasure of the governor.

13 (2) Each appointment by the governor shall be submitted to the Senate for  
14 confirmation. All vacancies shall be filled in the same manner that is provided for  
15 the original member.

16 (3) The members of the advisory committee shall serve without additional  
17 compensation except for their reasonable and necessary expenses related to the  
18 performance of their duties as members of the committee, and then only in ~~such~~  
19 amounts as is provided by law for state employees.

20 (4) Meetings shall be called by the chair at a time and place to be selected  
21 by the chair, or at a time and place provided for upon the written request of three  
22 members. Four members of the advisory committee shall be considered a quorum  
23 and the committee may make official recommendations and take other official action  
24 upon the affirmative vote of four members.

25 (5)(a) If at any time the advisory committee believes the ~~secretary~~ board has  
26 taken action contrary to the advice or recommendation of the committee, it may  
27 make a written request to the ~~secretary~~ board specifying the advice or  
28 recommendation, the action which the committee believes the ~~secretary~~ board has  
29 taken, and asking ~~him~~ the board to provide written reasons for ~~such~~ the action. The

1 ~~secretary~~ the chairman of the board shall provide a written answer to the chairman  
2 of the committee within fifteen days or ~~such a~~ longer time as the committee ~~shall~~  
3 ~~allow~~ allows.

4 (b) If, after receiving and considering the written answer of the ~~secretary~~  
5 board, the committee believes it unsatisfactory, the committee may make a written  
6 request to the Senate Committee on Revenue and Fiscal Affairs and the House  
7 Committee on Ways and Means specifying the recommendation and asking the  
8 committees to make it an enforceable recommendation.

9 (c)(i) The request of the advisory committee shall be considered ~~as a~~  
10 proposed rule or regulation of the ~~Department of Revenue~~ board and shall be  
11 subjected to the same oversight procedure ~~as is set forth~~ provided for in the  
12 Administrative Procedure Act ~~for such rules and regulations~~, except for the need for  
13 publication.

14 (ii) Notwithstanding any other law to the contrary, if the oversight procedure  
15 under the Administrative Procedure Act results in approval of the advisory  
16 committee's request to make its recommendation an enforceable recommendation,  
17 then the advisory committee's recommendation shall be followed by the ~~secretary~~  
18 board.

19 C. The uniform electronic local return and remittance system and the posting  
20 of the information required by Subsection ~~F~~ H of this Section shall be ~~established~~,  
21 managed, maintained, and supervised by the ~~secretary~~ board with the advice of the  
22 advisory committee and the secretary and the system shall include the following:

23 (1)(a) The system shall allow the taxpayer to file a sales and use tax return  
24 that is uniform for each taxing authority except for the following:

25 (i) The rate of the taxing authority's tax.

26 (ii) The vendor's compensation allowed.

27 (iii) Optional exclusions or exemptions allowed by state sales and use tax  
28 law, adopted by ~~the~~ a local ordinance pursuant to such state law.

1 (iv) Exclusions and exemptions in the local ordinance which were adopted  
2 prior to July 1, 2003, pursuant to state law authorizing ~~such~~ its adoption, but not  
3 allowed as an exclusion or exemption from state sales and use tax.

4 (v) Exclusions and exemptions adopted by local ordinance pursuant to  
5 legislation enacted under Article VI, Section 29(D)(1) of the Constitution of  
6 Louisiana, but not allowed as an exclusion or exemption from state sales and use tax.

7 (vi) Penalty, interest, or attorney fees due on the sales and use tax. The  
8 amount of ~~such a~~ a penalty, interest, and attorney fees, shall be limited as provided by  
9 law, including relevant jurisprudence, until ~~such the~~ the statute or jurisprudence is  
10 changed.

11 (b) The filing and remittance shall be done at no charge to the taxpayer by  
12 the state, the collector, or any taxing authority levying a tax.

13 (2) A web page through which a secured electronic local sales and use tax  
14 return may be filed, ~~which return shall be established by the Department of Revenue.~~  
15 The board shall maintain the secured electronic local sales and use tax return as well  
16 as the web page in which the return shall be accessed by taxpayers and collectors.

17 (3) A system to allow for the remittance of any tax, penalty, interest, or other  
18 amounts due.

19 (4) A system for the transmission and retrieval of the appropriate collector's  
20 data and funds to him.

21 D.(1) Each collector shall provide to the ~~secretary~~ board and the advisory  
22 committee within ninety days of its written request, or ~~such~~ other time as may be  
23 allowed by the advisory committee, the information necessary to design and  
24 ~~implement~~ maintain the system provided for in this Section. Each collector shall  
25 follow the data validation procedures established by the advisory committee. If the  
26 collector fails or refuses to timely provide ~~such~~ information, the ~~secretary~~ board and  
27 the advisory committee shall design and implement the system from the best  
28 information available to them.

1           (2) Each collector shall provide written notification to the ~~secretary~~ board  
2           and the advisory committee by certified mail, return receipt requested, of any change  
3           in the information provided to it pursuant to Subparagraph (C)(1)(a) thirty days prior  
4           to ~~such~~ changes becoming effective, or ~~such~~ other shorter time as may be allowed  
5           by the advisory committee. Each collector shall follow the data validation  
6           procedures established by the advisory committee.

7           E. A taxpayer may rely on the information on the uniform electronic local  
8           return and remittance system and ~~such~~ the reliance shall be an absolute defense  
9           against any claim for a taxing authority's sales and use tax.

10          F.(1) It shall be the duty of the ~~state through the Department of Revenue~~  
11          board, with the advice of the advisory committee, to design, implement, maintain and  
12          operate the system required by this Section and to provide the staff and equipment  
13          necessary to receive and transmit to the collectors the electronic returns and funds.

14          (2)(a) It shall be the duty of the collector of each parish to provide and make  
15          available the appropriate staff, equipment, and information necessary for the receipt  
16          and transmission of electronic returns and funds. The ~~Department of Revenue~~ board  
17          shall not be responsible for any loss of revenue attributable to the failure of a  
18          collector to comply with the provisions of this Paragraph.

19          (b) The advisory committee may determine alternate distribution methods  
20          and the appropriate fees to be charged for ~~such~~ these methods when a collector fails  
21          to comply with the provisions of this Paragraph. The amount of the fee shall not  
22          exceed the cost of the alternate distribution method.

23          G.(1) It is the intention of this Section only to provide to taxpayers a simple,  
24          efficient, and cost-effective means of transmitting accurate tax returns and taxes to  
25          taxing authorities of the state from a central site in the quickest manner possible.  
26          This Section shall not be construed to grant to the advisory committee or the  
27          ~~Department of Revenue~~ board any authority to collect or administer ~~such~~ taxes. In  
28          addition, any funds transmitted through the system as provided for in this Section  
29          shall be considered the funds of the taxing authorities to be distributed by the

1 collector in the manner provided by local ordinances and shall not in any way be  
2 considered state funds or funds of the board.

3 (2) The advisory committee shall provide a method for all questions related  
4 to the application and interpretation of the sales and use tax law of a particular taxing  
5 authority received by the committee, the board, or the Department of Revenue to be  
6 forwarded to the appropriate collector for response.

7 ~~H.(1) The uniform electronic local return and remittance system provided in~~  
8 ~~this Section shall become operative on a date that the advisory committee determines~~  
9 ~~such system is ready, but no later than January 1, 2005.~~

10 (2) ~~However, the system shall not become operative until all of the following~~  
11 ~~occurs:~~

12 (a) ~~Notice is provided to each collector of the date upon which the system~~  
13 ~~is to be operative and the date of the public meeting provided for in Subparagraph~~  
14 ~~(2)(b).~~

15 (b) ~~After the notice is provided as required by Subparagraph (2)(a), but in~~  
16 ~~no case less than thirty days before the date the system becomes operative, the~~  
17 ~~advisory committee shall hold a public hearing to receive comments on the system.~~

18 F.(1)(a) In addition to the uniform electronic local return and remittance  
19 system provided for in this Section, a link shall be created on the ~~Department of~~  
20 ~~Revenue's~~ board's web site to a web page where the following information provided  
21 by the collectors shall be posted:

22 (i) A list of tax rates.

23 (ii) A list of the optional exemptions enacted by a tax authority as provided  
24 for in R.S. 47:337.10.

25 (b) The ~~secretary~~ board and the advisory committee shall be notified of any  
26 changes in ~~such~~ the information as provided for in Subsection D of this Section.  
27 Each collector shall follow the data validation procedures established by the advisory  
28 committee.

1           (2) The tax rates and optional exemptions posted on the web page ~~as~~  
2           ~~provided for in this Section~~ shall be considered an official record of ~~such~~ the tax  
3           rates and optional exemptions and any court, whether requested to do so or not, shall  
4           take judicial notice thereof. A taxpayer may rely on the optional exemptions and tax  
5           rates posted on the web page and ~~such~~ this reliance shall be an absolute defense  
6           against any claim for a taxing authority's sales and use tax.

7           ~~J. If the secretary of the Department of Revenue and the commissioner of~~  
8           ~~administration certify to the advisory committee that there was not a separate line~~  
9           ~~item in the general appropriations bill appropriating funds to the Department of~~  
10          ~~Revenue for the design, implementation, and operation of the system provided for~~  
11          ~~in this Section for the fiscal year, or that insufficient funds were appropriated in such~~  
12          ~~line item, then such electronic filing and remittance shall not be available to~~  
13          ~~taxpayers from the first of the month following such certification and the secretary~~  
14          ~~may take such steps as he deems necessary to prevent access to the system until the~~  
15          ~~secretary and the commissioner certify that such funds have been appropriated in a~~  
16          ~~separate line item.~~

17          ~~K.I.(1) Beginning January 1, 2015, the~~ The collector for each taxing  
18          authority may require the electronic filing and remittance of local sales and use tax  
19          by any taxpayer required to electronically file or electronically remit state sales and  
20          use tax by the Department of Revenue. If the local collector for a taxing authority  
21          chooses the option of requiring the electronic filing and remittance of local sales and  
22          use tax returns in accordance with the provisions of this Subsection, then all  
23          taxpayers required to collect and remit sales or use tax on taxable events occurring  
24          within the jurisdiction of the taxing authority who are required by the Department  
25          of Revenue to electronically file and remit ~~such~~ taxes shall file all applicable sales  
26          and use tax returns and remittances through the electronic filing options available for  
27          ~~such~~ those purposes; however, in cases where the taxpayer can show cause that the  
28          electronic filing of a return and remittance would create an undue hardship on the



1 taxpayer, the collector for the taxing authority may exempt the taxpayer from the  
2 requirements of this Subsection.

3 (2) Failure of a taxpayer to comply with the electronic filing requirements  
4 set forth in this Subsection shall result in the collector for the taxing authority  
5 assessing a penalty of one hundred dollars or five percent of the tax owed on the  
6 return, whichever is greater; however, the total penalty per return shall not exceed  
7 five thousand dollars. The local collector for the taxing authority may waive  
8 remittance and payment of the penalty in whole or in part if the local collector  
9 determines that the failure to comply by the taxpayer was reasonable and was  
10 attributable, not to any negligence on the part of the taxpayer, but for a cause which  
11 is submitted to the local collector in writing.

12 \* \* \*

13 §337.102. Louisiana Uniform Local Sales Tax Board; creation; membership;  
14 powers and duties

15 \* \* \*

- 16 C. Powers and duties of the board. (1) The board may:
- 17 ~~(1)~~(a) Support and advise local sales and use tax collectors concerning the  
18 imposition, collection, and administration of local sales and use taxes authorized  
19 under the constitution and laws of this state.
- 20 ~~(2)~~(b) Promulgate rules and regulations in accordance with Part H of Chapter  
21 2-D of Subtitle II of Title 47 of the Louisiana Revised Statutes of 1950.
- 22 ~~(3)~~(c) Enter into agreements with local tax collectors.
- 23 ~~(4)~~(d) Enter into contracts for the services of legal counsel, analysts,  
24 auditors, appraisers, and witnesses, as well as any agency or department of the state  
25 or any state or local political subdivision.
- 26 ~~(5)~~(e) Issue policy advice on matters concerning the imposition, collection,  
27 and administration of local sales and use tax.
- 28 ~~(6)~~(f) Prescribe uniform forms and model procedures to be used by local  
29 sales and use tax collectors.

1           ~~(7)~~(g) Procure the development of computer software and equipment for the  
2 collection and administration of local sales and use taxes.

3           (8)(h) Employ an executive director, and any necessary agents, assistants,  
4 auditors, clerks, inspectors, investigators, or other experts and employees.

5           ~~(9)~~(i) Issue private letter rulings when requested pursuant to this Section as  
6 to the imposition, collection, and administration of local sales and use tax.

7           ~~(10)~~(j) Hold an executive session pursuant to R.S. 42:16 for any of the  
8 reasons contained in R.S. 42:17 and for the discussion of matters involving  
9 confidential taxpayer information including policy advice, private letter rulings,  
10 multi-parish audits, or other matters. The records and files of the board held for the  
11 purpose of enforcement of the tax laws of this state and its political subdivisions  
12 shall be considered to be the files and records of a political subdivision of the state  
13 subject to the provisions of R.S. 47:1508 in the same manner as any other political  
14 subdivision enforcing tax laws related to sales and use taxes.

15           (2) The board shall do all of the following:

16           (a) Manage, maintain, and supervise a uniform electronic local return and  
17 remittance system pursuant to the provisions of R.S. 47:337.23 by which taxpayers  
18 can electronically file and remit state and local sales and use taxes.

19           (b) Design, implement, manage, maintain, and supervise a single remittance  
20 system whereby each taxpayer can remit state and local sales and use taxes through  
21 a single transaction. Any contract for the selection of a vendor or service provider  
22 to design the single remittance system, including the procurement of software,  
23 hardware, or any other technology or electronic platform, or service shall be  
24 procured through the office of technology services and shall be in compliance with  
25 the provisions of R.S. 39:196 et seq.

26           (c) Design, manage, and maintain a link on the board's web page for the  
27 posting of information required to be posted pursuant to the provisions of R.S.  
28 47:337.23(H).

29   \*       \*       \*

1 I. Funding. (1) Except as provided for in Paragraph (4) of this Subsection,  
 2 ~~the~~ The board shall be funded through a dedication of a percentage of the total  
 3 statewide collections of local sales and use tax on motor vehicles, as provided for in  
 4 an agreement with local collectors and in accordance with the limitations provided  
 5 in this Paragraph and the budgetary policy as provided in Paragraph (2) of this  
 6 Subsection. Monies shall be payable monthly from the current collections of the tax.  
 7 The dedication shall be considered a cost of collection and shall be deducted by the  
 8 ~~state and disbursed to the~~ board prior to distribution of tax collections to local taxing  
 9 authorities. The dedication shall be in addition to any fee imposed by the office of  
 10 motor vehicles for the collection of the local sales and use tax on motor vehicles.  
 11 The amount to be disbursed to the board in any fiscal year ~~after Fiscal Year~~  
 12 ~~2018-2019~~ shall not, ~~under any circumstances and notwithstanding any budget~~  
 13 ~~adopted by the board,~~ exceed three-tenths of one percent of the collections.

14 (2)(a) The actual amount to be disbursed to the board by the office of motor  
 15 vehicles in any fiscal year shall be determined by the requirements of the annual  
 16 budget adopted by the board for that year, subject to the limitations established in  
 17 Subparagraphs (1) (a) through (c) ~~of Paragraph (1)~~ of this Subsection. To accomplish  
 18 this, by the first day of June each year the chairman of the board shall notify the  
 19 commissioner of the office of motor vehicles regarding the amount to be disbursed  
 20 to the board for the ensuing fiscal year, ~~with the exception of Fiscal Year 2018, when~~  
 21 ~~the date for such notification shall be determined by agreement of the chairman and~~  
 22 ~~the commissioner.~~

\* \* \*

24 (4) The board shall fund the initial costs incurred for designing and  
 25 implementing a single remittance system from the percentage of funding it currently  
 26 receives pursuant to the provisions of Paragraph (1) of this Subsection. The state and  
 27 local collectors shall share the initial costs equally; however, funding for initial costs  
 28 shall not extend for more than twenty-four months. Thereafter, the board shall fund  
 29 the costs associated with the management, maintenance, and supervision of the

- 1        single remittance system from the funding it currently receives pursuant to the  
 2        provisions of Paragraph (1) of this Subsection.  
 3        Section 2. This Act shall become effective on January 1, 2024.
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## 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)]

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HB 558 Original

2023 Regular Session

Beaulieu

**Abstract:** Moves responsibility for the management and supervision of the uniform electronic local return and remittance system from the Dept. of Revenue to the La. Uniform Local Sales Tax Board and requires the board to design and implement a single remittance system whereby each taxpayer can remit state and local sales and use taxes through a single transaction.

Present law provides for the establishment of a uniform electronic local return and remittance system whereby a taxpayer may file a sales and use tax return of a taxing authority and remit any tax, interest, penalty, or other charge due by means of the uniform electronic local return and remittance system. The uniform electronic local returns and remittance system shall be established, managed, and supervised by the Dept. of Revenue (DOR) and shall be done at no charge to the taxpayer by the state, the collector, or any taxing authority levying a tax.

Present law establishes the Uniform Electronic Local Return and Remittance Advisory Committee (committee) which is under the jurisdiction of DOR and which is charged with advising DOR concerning the design, implementation, and operation of the uniform electronic local returns and remittance system. Present law authorizes the committee to make enforceable recommendations to DOR concerning the design, implementation, and operation of the uniform electronic local returns and remittance system.

Proposed law changes present law by transferring management and supervision of the uniform electronic local returns and remittance system including the posting of certain information and links on a web page and providing for the staffing and equipment necessary to operate the system from DOR to the La. Uniform Local Sales Tax Board (board) and moving jurisdiction over the committee from DOR to the board. Proposed law further requires the board to *maintain* the uniform electronic local returns and remittance system and authorizes the committee to make recommendations concerning the *maintenance* of the uniform electronic local returns and remittance system.

Present law provides for the membership, duties, and responsibilities of the committee.

Proposed law retains present law but requires the committee to work in conjunction with the board *rather* than the secretary of DOR.

Present law provides for the board as a political subdivision of the state, for the purpose of promoting uniform procedures and policies concerning the collection and administration of local sales and use taxes, and to provide policy advice and support to local sales and use tax collectors. Present law provides for membership of the board, member appointments and other aspects of membership on the board.

Present law provides for the authority of the board, including the following activities:

- (1) Support and advise local tax collectors concerning collection and administration of local sales and use taxes, including the prescription of uniform forms and model procedures, and the provision of educational and training programs for tax collectors.
- (2) Promulgate rules and regulations pursuant to the APA relating to local sales and use tax, specifically including rules for a voluntary disclosure program and a uniform refund request and approval process.
- (3) Procure the development of computer software and equipment for the collection and administration of local sales and use taxes.
- (4) Implement and coordinate a multi-parish audit program.

Proposed law retains present law but requires the board to do all of the following:

- (1) Manage, maintain, and supervise the uniform electronic local return and remittance system by which taxpayers can electronically file and remit sales and use taxes.
- (2) Design, implement, manage, maintain, and supervise a single remittance system whereby each taxpayer can remit state and local sales and use taxes through a single transaction. Proposed law requires any contract or the selection of a provider by the board to design a single remittance system, including the procurement of software, hardware, or any other technology or electronic platform, or service to be procured through the office of technology services and in compliance with present law.
- (3) Design, manage, maintain, and supervise a link on the board's web page for the posting of information required to be posted pursuant to present law (R.S. 47:337.23(I)).

Present law provides for funding of the board through a dedication of a percentage of the total statewide collections of local sales and use taxes on motor vehicles, not to exceed three-tenths of 1% of the collections.

Proposed law retains present law with respect to the funding of the board and the maximum amount of monies the board may deduct from collections; however, proposed law requires the board to fund the initial costs incurred for designing and implementing a single remittance system from the percentage of funding it currently receives.

Proposed law requires the state and local collectors to share the initial costs of designing and implementing a single remittance system; however, funding for initial costs shall not extend for more than 24 months. Thereafter, the board shall fund the costs associated with the management, maintenance, and supervision of the single remittance system from the funding it currently receives pursuant to present law.

Effective January 1, 2024.

(Amends R.S. 47:337.23 and 337.102(C) and (I)(1) and (2)(a); Adds R.S. 47:337.102(I)(4))