

Regular Session, 2013

HOUSE BILL NO. 707

BY REPRESENTATIVE HUNTER

TAX/EXCISE: Suspends deductions and discounts relative to certain excise taxes from July 1, 2013, through July 1, 2019

1 AN ACT

2 To amend and reenact R.S. 26:345 and 354(D) and R.S. 47:818.22(A) and (B), 823(E), and
3 843(B) and to enact R.S. 47:843(C)(11) and 851(B)(4), relative to state excise taxes;
4 to provide with respect to alcohol discounts and deductions; to provide with respect
5 to gasoline and diesel fuel discounts; to provide with respect to storage of hazardous
6 waste discounts; to provide with respect to tobacco product discounts; to provide for
7 effectiveness; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 26:345 and 354(D) are hereby amended and reenacted to read as
10 follows:

11 §345. Discount on taxes on beverages of low alcoholic content

12 A. For accurately reporting and timely remitting the taxes due under the
13 provisions of R.S. 26:342, all taxpayers shall be allowed a discount of two percent
14 of the amount of the tax otherwise due.

15 B. Notwithstanding any other provision of law to the contrary, for the period
16 of July 1, 2013, through June 30, 2019, the discount provided for in this Section shall
17 be inapplicable, inoperable, and of no effect.

18 * * *

1 §354. Payment and reporting of taxes; discounts; rules and regulations;
2 enforcement; forfeitures and penalties; redemption of tax stamps

3 * * *

4 D.(1) For accurately reporting and timely remitting the taxes all taxpayers
5 shall be allowed a discount of three and one-third percent of the amount of the tax
6 otherwise due. When a check or other instrument given in payment of taxes is
7 returned unpaid, the discount is forfeited.

8 (2) Notwithstanding any other provision of law to the contrary, for the period
9 of July 1, 2013, through June 30, 2019, the discount provided for in this Subsection
10 shall be inapplicable, inoperable, and of no effect.

11 * * *

12 Section 2. R.S. 47:818.22(A) and (B), 823(E), and 843(B) are hereby amended and
13 reenacted and R.S. 47:843(C)(11) and 851(B)(4) are hereby enacted to read as follows:

14 §818.22. Deductions and discounts allowed

15 A.(1) The supplier or permissive supplier that files a timely return and remits
16 a timely payment may deduct from the amount of tax shown payable on the return
17 an administrative discount in an amount equivalent to one and one-half percent of
18 the tax due on gasoline and diesel fuels. The allowance shall not be deductible
19 unless the supplier or permissive supplier allows a deduction of one percent to a
20 purchaser with a valid distributor or importer license. However, the allowance shall
21 not be deductible by the supplier or permissive supplier unless the return is filed and
22 payment of the tax is made on or before the twenty-second day of the month as
23 required by this Subpart.

24 (2) Notwithstanding any other provision of law to the contrary, for the period
25 of July 1, 2013, through June 30, 2019, the discount provided for in this Subsection
26 shall be inapplicable, inoperable, and of no effect.

27 B.(1) A licensed distributor or importer that pays the tax due a supplier or
28 permissive supplier by the date required in this Subpart shall be allowed to deduct
29 from the amount due a discount of one percent of the amount of tax payable. The

1 supplier or permissive supplier may not directly or indirectly deny this allowance to
2 a licensed distributor or importer that pays the tax due the supplier or permissive
3 supplier by the date specified.

4 (2) Notwithstanding any other provision of law to the contrary, for the period
5 of July 1, 2013, through June 30, 2019, the discount provided for in this Subsection
6 shall be inapplicable, inoperable, and of no effect.

7 * * *

8 §823. Rate of tax

9 * * *

10 E.(1) For the purpose of compensating for the administrative costs in
11 accounting for and remitting the tax levied by this Chapter, each person who collects
12 and remits the tax pursuant to R.S. 47:826 shall be allowed one-half percent of the
13 amount of the tax due and accounted for and remitted to the secretary in the form of
14 a deduction in submitting his report and paying the amount due by him, provided the
15 amount due was not delinquent at the time of payment.

16 (2) Notwithstanding any other provision of law to the contrary, for the period
17 of July 1, 2013, through June 30, 2019, the discount provided for in this Subsection
18 shall be inapplicable, inoperable, and of no effect.

19 * * *

20 §843. Use of stamps or meter impression required and limitations

21 * * *

22 B.(1) The secretary of the Department of Revenue shall allow wholesale
23 tobacco dealers of other states who have a direct purchasing contract with a
24 manufacturer and serving a trade area of retail dealers in this state to purchase
25 Louisiana stamps with benefit of discount; provided however, in no instance shall
26 the discount be greater than that which is received by such wholesale tobacco dealers
27 in their state of domicile and further provided that regardless of the discount
28 extended by other states, the discount shall not exceed six percent.

1 (2) Notwithstanding any other provision of law to the contrary, for the period
 2 of July 1, 2013, through June 30, 2019, the discount provided for in this Subsection
 3 shall be inapplicable, inoperable, and of no effect.

4 C. Purchase of stamps.

5 * * *

6 (11) Notwithstanding any other provision of law to the contrary, for the
 7 period of July 1, 2013, through June 30, 2019, the discount provided for in this
 8 Subsection shall be inapplicable, inoperable, and of no effect.

9 * * *

10 §851. Dealers receiving unstamped and/or nontax paid cigarettes, cigars, and
 11 smoking tobaccos required to file monthly reports and maintain records;
 12 vending machine restrictions

13 * * *

14 B. Registered tobacco dealers.

15 * * *

16 (4) Notwithstanding any other provision of law to the contrary, for the period
 17 of July 1, 2013, through June 30, 2019, the discount provided for in this Subsection
 18 shall be inapplicable, inoperable, and of no effect.

19 * * *

20 Section 3. This Act shall become effective on July 1, 2013; if vetoed by the governor
 21 and subsequently approved by the legislature, this Act shall become effective on July 1,
 22 2013, or on the day following such approval by the legislature, whichever is later.

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)]

Hunter

HB No. 707

Abstract: Suspends the effectiveness of the discounts for the timely reporting and remitting of taxes on alcohol, gasoline, diesel fuels, storage of hazardous waste, and tobacco products from July 1, 2013, through June 30, 2019.

Present law provides for the levy of a tax upon the sale, use, consumption, handling, or distribution of all cigars, cigarettes, and smoking and smokeless tobacco in La.

Present law authorizes a discount of 2% of the amount of tax due on beverages of low alcoholic content in order to encourage accurate reporting and timely remitting the taxes due beverages of low alcoholic content. Further provides a discount of 3-~~a~~ % of the amount of tax due on beverages of high alcoholic content in order to encourage accurate reporting and timely remitting the taxes due beverages of low alcoholic content.

Proposed law suspends the 2% discount and the 3-~~a~~ % discount for the timely reporting and remitting of taxes on beverages of low and high alcoholic content from July 1, 2013, through June 30, 2019.

Present law authorizes a discount of 1- $\frac{1}{2}$ % of the tax due on gasoline and diesel fuels for a supplier or permissive supplier who files a timely return and remits timely payment. However, this allowance shall not be deductible unless the supplier or permissive supplier allows a deduction of 1% to a purchaser with a valid distributor or importer license who timely files and pays such tax on or before the 22nd day of the month as required by present law.

Proposed law suspends the 1- $\frac{1}{2}$ % discount for suppliers and permissive suppliers for the timely reporting and remitting of the tax on gasoline and diesel fuels from July 1, 2013, through June 30, 2019.

Present law authorizes a discount of $\frac{1}{2}$ of 1% of the tax levied for the disposal and storage of hazardous waste as compensation for the administrative costs in accounting for timely filing and remitting such tax.

Proposed law suspends the $\frac{1}{2}$ of 1% discount for the timely filing and remittance of taxes for the disposal and storage of hazardous waste from July 1, 2013, through June 30, 2019.

Present law requires the secretary of the Dept. of Revenue to allow wholesale tobacco dealers of other states who have a direct purchasing contract with a manufacturer and serving a trade area of retail dealers in this state to purchase La. stamps with benefit of discount; however, in no instance shall the discount be greater than the discount received by wholesale tobacco dealers in their state of domicile and further provides that regardless of the discount extended by other states, the discount shall not exceed 6%.

Proposed law suspends the 6% discount for out-of-state wholesale tobacco dealers from July 1, 2013, through June 30, 2019.

Present law requires every registered tobacco dealer receiving and handling cigars and smoking tobaccos in La. upon which the tax has not been previously paid shall, within 20 days after the expiration of each calendar month, file a report of the total amount of cigars and smoking tobaccos received and handled during the preceding month, and shall pay the

taxes due. Further requires all out-of-state La. registered tobacco dealers to file a report disclosing all sales of cigars and smoking tobaccos in La. during the preceding calendar month, and shall pay the taxes due.

Present law authorizes a 6% discount for timely and accurately filing such report only on those purchases made by registered tobacco dealers in La. who have a direct purchasing contract with a manufacturer.

Proposed law suspends the 6% discount authorized for purchases made by registered tobacco dealers in La. who have a direct purchasing contract with a manufacturer from July 1, 2013, through June 30, 2019.

Present law provides that cigarette tax stamps shall be sold to bonded registered La. tobacco dealers who have a direct purchasing contract with a manufacturer at a discount of 6% from the face value when purchased in quantities of not less than \$100 face value. Further requires the same discount to apply where metered stamping machines or devices are used.

Proposed law suspends the 6% discount from July 1, 2013, through June 30, 2019.

Effective July 1, 2013.

(Amends R.S. 26:345 and 354(D) and R.S. 47:818.22(A) and (B), 823(E), and 843(B); Adds R.S. 47:843(C)(11) and 851(B)(4))