HLS 14RS-216 REENGROSSED

Regular Session, 2014

HOUSE BILL NO. 355

1

BY REPRESENTATIVE DANAHAY

TAX/ALCOHOLIC BEVERAGE: Authorizes the secretary of the Department of Revenue to waive certain penalties associated with the payment of taxes on certain alcoholic beverages

AN ACT

2	To amend and reenact R.S. 26:354(I) and 492(A) and to repeal Part IV of Chapter 17 of
3	Subtitle II of Title 47 of the Louisiana Revised Statutes of 1950, comprised of R.S.
4	47:1471, relative to gallonage taxes; to provide with respect to the reporting and
5	payment of certain state and local taxes by dealers of beverages of certain alcoholic
6	content; to provide for the approval of an application for a waiver of penalties
7	imposed on a dealer for failure to timely report and pay the tax; to provide for
8	authority of the secretary of the Department of Revenue; to provide relative to the
9	jurisdiction of the Board of Tax Appeals regarding certain alcoholic beverage
10	permits; to direct the Louisiana State Law Institute to redesignate and rename certain
11	provisions of current law; to provide for effectiveness; and to provide for related
12	matters.
13	Be it enacted by the Legislature of Louisiana:
14	Section 1. R.S. 26:354(I) and 492(A) are hereby amended and reenacted to read as
15	follows:
16	§354. Payment and reporting of taxes; discounts; rules and regulations;
17	enforcement; forfeitures and penalties; redemption of tax stamps
18	* * *
19	I. With respect to the twenty percent penalty provided in this Section, the
20	wholesale dealer shall have the right to send a signed application for a waiver of said
21	the penalty, which application shall be provided in affidavit form setting forth the
22	reasons for the failure to pay the taxes within the specified time. Any such
23	application must be provided directly to the secretary, and after review by him it

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shall be processed with his recommendations and provided to the Board of Tax Appeals for approval or disapproval. The Board of Tax Appeals shall notify the secretary in writing of its decision with respect thereto. If the failure to pay the tax when due is explained to the satisfaction of the secretary, he may remit or waive payment of the whole or any part of any penalty due under the provisions of this Chapter.

7 * * *

§492. Local gallonage tax on beverages of low alcoholic content

A. Any parish or municipality, through its local governing body, may impose a tax on beverages of low alcoholic content of not more than one dollar and fifty cents per standard barrel of thirty-one gallons. The tax shall be based on the amount of these beverages sold and consumed within the parish or municipality. Parishes and municipalities imposing this tax shall furnish the secretary a certified copy of the ordinance levying it. The secretary shall collect the tax in the same manner as he collects the state tax and shall make such additional rules as are necessary. He shall remit, each quarter, the amount of tax collected less the cost of collection, to the parishes and municipalities levying the tax. If the failure to pay the tax when due is explained to the satisfaction of the secretary, he may, with the approval of the Board of Tax Appeals, remit or waive payment of the whole or any part of any penalty due under the provisions of this Chapter.

21 * * *

Section 2. Part IV of Chapter 17 of Subtitle II of Title 47 of the Louisiana Revised Statutes of 1950, comprised of R.S. 47:1471, is hereby repealed in its entirety.

Section 3.(A) The Louisiana State Law Institute is authorized and directed to redesignate and rename, as appropriate, the Parts of Chapter 17 of Subtitle II of Title 47 of the Louisiana Revised Statutes of 1950, as amended.

(B) The Louisiana State Law Institute is authorized and directed to change "board of tax appeals" to "Board of Tax Appeals" in all provisions of Title 47 of the Louisiana Revised Statutes of 1950, as amended.

- 1 Section 4. This Act shall become effective on July 1, 2014; if vetoed by the governor
- 2 and subsequently approved by the legislature, this Act shall become effective on July 1,
- 3 2014, 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)]

Danahay HB No. 355

Abstract: Changes the approval authority for the waiver of penalties imposed on a dealer of beverages of high alcohol content who fails to timely report and pay gallonage taxes <u>from</u> the Board of Tax Appeals <u>to</u> the secretary of the Dept. of Revenue.

<u>Present law</u> imposes a gallonage tax on beverages of high alcoholic content, which is collected from the dealer who first handles such beverages in La. Taxes are payable monthly through the filing of a sales and handling report with the secretary of the Dept. of Revenue (secretary).

<u>Present law</u> authorizes the imposition of penalties of either 5% or 20% for failure to timely file the report and pay the tax. With respect to the 20% penalty, a dealer may, by affidavit, apply for a waiver of the penalty. The application for waiver is submitted to the secretary who reviews it and forwards it to the Board of Tax Appeals for approval.

<u>Proposed law</u> changes the approval of the application for the waiver of penalties <u>from</u> the Board of Tax Appeals <u>to</u> the secretary.

<u>Present law</u> authorizes a parish or municipality to impose a tax on beverages of low alcoholic content. Requires the secretary to collect the tax in the same manner as he collects the state tax and to remit the taxes collected quarterly to the parish or municipality levying the tax.

<u>Present law</u> authorizes the secretary, with the approval of the Board of Tax Appeals, to waive payment of penalties for failure to pay the tax timely if the failure to pay the tax is explained satisfactorily to the secretary.

<u>Proposed law</u> retains <u>present law</u> but changes approval of the waiver of penalties <u>from</u> the Board of Tax Appeals <u>to</u> the secretary.

<u>Proposed law</u> repeals provisions for the Board of Tax Appeals' jurisdiction over the permitting of dealers of high alcoholic content.

<u>Proposed law</u> directs the La. State Law Institute to redesignate and rename, as appropriate, the Parts of Chapter 17 of Subtitle II of Title 47 of the La. Revised Statutes of 1950, as amended.

<u>Proposed law</u> directs the La. State Law Institute to change "board of tax appeals" to "Board of Tax Appeals" in all provisions of Title 47 of the La. Revised Statutes of 1950, as amended.

Effective July 1, 2014.

(Amends R.S. 26:354(I) and 492(A); Repeals R.S. 47:1471)

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Summary of Amendments Adopted by House

House Floor Amendments to the engrossed bill.

1. Adds direction for the La. State Law Institute to change "board of tax appeals" to "Board of Tax Appeals" in all provisions of Title 47 of the La. Revised Statutes of 1950, as amended.