

Regular Session, 2013

HOUSE BILL NO. 653

BY REPRESENTATIVE ROBIDEAUX

TAX/SALES & USE: Changes the state sales and use tax rate and provides for the taxability of sale and services

1 AN ACT

2 To amend and reenact R.S. 47:306(A)(3) and to enact R.S. 47:302(U), relative to state sales
3 and use taxes; to provide with respect to the collection of tax on transactions
4 involving certain tangible personal property and services; to provide for
5 effectiveness; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:306(A)(3) is hereby amended and reenacted and R.S. 47:302(U)
8 is hereby enacted to read as follows:

9 §302. Imposition of tax

10 * * *

11 U. Collection of consumer use tax. It is the duty of the secretary of the
12 Department of Revenue to collect all taxes imposed pursuant to this Chapter and
13 Chapters 2-A and 2-B of this Subtitle which may be due upon the sale by a remote
14 seller of tangible personal property or services in Louisiana. The secretary is
15 authorized and directed to employ all means available to ensure the collection of the
16 tax in an equitable, efficient and effective manner.

17 * * *

18 §306. Returns and payment of tax; penalty for absorption

19 A.

20 * * *

1 (3)(a) For the purpose of compensating the dealer in accounting for and
2 remitting the tax levied by this Chapter, each dealer shall be allowed one ~~and~~
3 ~~one-tenth~~ percent of the amount of tax due and accounted for and remitted to the
4 secretary in the form of a deduction in submitting his report and paying the amount
5 due by him, provided the amount of any credit claimed for taxes already paid to a
6 wholesaler shall not be deducted in computing the commission allowed the dealer
7 hereunder. This compensation shall be allowed only if the payment of the dealer is
8 timely paid and the return is timely filed.

9 (b) The compensation permitted a dealer under the provisions of this
10 Paragraph shall not exceed one hundred dollars per calendar month. The aggregate
11 state compensation available to a dealer who operates more than one business
12 location within this state and who does not file a consolidated monthly tax report for
13 all locations shall not exceed one hundred dollars per month.

14 ~~(b)~~(c) Municipalities are hereby authorized to pay compensation to their
15 sales tax dealers in any amounts designated by the governing body of the
16 municipality.

17 * * *

18 Section 2. The provisions of this Act shall be applicable to all taxable transactions
19 occurring on or after July 1, 2013.

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

23 (B) This Act shall take effect and become operative only if the proposed
24 amendments of the Constitution of Louisiana contained in the Joint Resolutions which
25 originated as House Bill Nos. 434, 435, and 436 of this 2013 Regular Session of the
26 Legislature are concurred in by both houses of the legislature and House Bill Nos. 1, 437,
27 456, 474, 571, 620 and 696 of this 2013 Regular Session of the Legislature are enacted into
28 law.

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)]

Robideaux

HB No. 653

Abstract: Relative to the collection of sales and use tax, provides with respect to the rate and limit on amount of dealer compensation, and authorizes and directs the secretary of the Dept. of Revenue to use all means available to collect use tax which is due upon La. sales by remote sellers.

Present law imposes a 4% state tax upon the sale, use, consumption, storage, or rental of certain tangible personal property and services.

Present law provides that a dealer may deduct and retain an amount equal to 1.1% of taxes collected as compensation for accounting for and remitting the taxes in a timely manner.

Proposed law changes present law by changing the rate of dealer compensation from 1.1% to 1% of taxes collected, and by limiting the amount which may be retained each month to \$100 per dealer.

Proposed law provides that it is the duty of the secretary of the Dept. of Revenue to collect taxes due upon the sale in La. of tangible personal property or services by a remote seller.

Further, proposed law authorizes and directs the secretary to use all means available to ensure the collection of such taxes.

Applicable to taxable transactions occurring on and after July 1, 2013.

Effective if the proposed amendments of the Const. of La. contained in the Joint Resolutions which originated as HB Nos. 434, 435, and 436 of the 2013 R.S. are concurred in by both houses of the legislature and HB Nos 1, 437, 456, 474, 571, 620, and 696 of the 2013 R.S. are enacted into law.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 47:306(A)(3); Adds R.S. 47:302(U))

Summary of Amendments Adopted by House

House Floor Amendments to the original bill.

1. Deletes provisions governing tax exemptions and exclusions.
2. Deletes provisions regarding tax rates.
3. Deletes provisions regarding taxability of sales and use of certain property and services.
4. Adds provisions regarding collection of use taxes on La. sales by remote sellers.
5. Changes the limitation on the amount of dealer compensation from \$50 to \$100 per month.
6. Adds effectiveness provisions, including contingencies regarding other legislation.