

UELRR Advisory Committee Meeting

Meeting of August 24, 2023

MINUTES

The UELRR Advisory Committee met Thursday, August 24, 2023 at 11:00 AM, in person at the LAMPERS Building at 7722 Office Park Blvd., Baton Rouge, LA, 70809, and via Zoom virtual meeting.

- 1.) Chairman Krennerich declared the meeting duly convened at approximately 11:10 AM.
- 2.) Committee Members present were: Chairman, Kressy Krennerich, Danell Gerchow, Jon Betts, and Gary Dressler. A quorum was established with four of the five members present.
- 3.) With no opposition to the agenda items from committee members, the agenda was adopted with a motion by Mr. Betts and seconded by Mr. Dressler.
- 4.) Members were provided with a copy of the meeting minutes from the February 8, 2023 meeting. Mr. Betts requested a change within the meeting minutes with regard to the Change Request agenda item missing a second to the motion. The item will be corrected and posted. Ms. Gerchow asked a question relative to this same item on the agenda regarding the remaining number of free hours and whether they had been used prior to the contract end date of June 30th. Ms. Krennerich stated that she believed they had been used prior to that date since the contract had gone over budget prior to the end date. A motion was made to approve the meeting minutes, with the requested change, by Mr. Dressler and seconded by Ms. Gerchow. With no additional requested corrections or opposition from members, and no public comment, the minutes were unanimously adopted with a correction.

The following agenda items were discussed by the committee:

5.) Review of current system operations/statistics

- Collections through the end of July 2023 were \$381.3 million, with over 223K returns filed.
- Total Collections to date are over \$ 32 billion, with over 19.6 million returns filed since the program's inception.

6.) Review of issues or comments relating to Parish E-File System

- A spreadsheet of all items currently in development was given to members. Mr. Dressler asked for confirmation that these are already in development and don't need approval by members. Chairwoman Krennerich confirmed they are mandates and don't need approval of the committee to be completed.

- Ms. Krennerich also mentioned that all legislation passed from the 2023 Regular Session for the parishes will need to be added to the system for completion. Shanna Kelly with LDR will make sure any other items needing attention be added to the development list.
- Ms. Krennerich asked Avenu if there were any system issues that needed discussion. Mr. Chukwujekwu replied that there were none at this time.

7.) YTD Budget Review

- Chairwoman Krennerich would like to make this a recurring agenda item and has asked that a report be presented at future meetings of the Committee of costs for the system as to make sure all costs are within budget.

8.) Update regarding Change Requests for consideration

- No new change requests were brought before the committee.
- A chart was provided to members of status updates to several mandate items in development. Those include change notifications, optional exemptions, rate changes, etc. These require no approval of the Committee as they are covered under the maintenance of the system.

9.) Office of Cultural Development

- Ms. Susanna Johansenne, Executive Director for State Commission of the Arts, spoke to members about the need to have an upload feature in the Parish E-file system. Ms. Johansenne explained that they operate in 44 of the parishes. There are 124 cultural districts across the state. Businesses in these districts, selling original art, are not collecting local sales tax. As of 2022 there is an estimated value to just shy of \$26 million. The total revenue of businesses selling art in these districts are is just shy of \$3 billion so there is a huge economic benefit for the state with this program. Just in New Orleans there are over 1500 businesses in the cultural districts selling art. The upload feature would assist with reporting requirements as it would allow businesses to be able to upload their certificates with the tax returns. Currently they are being emailed or mailed in. Another issue is the confidentiality aspect of these items. Some smaller companies are also not taking advantage of the program due to the process being a bit confusing and cumbersome.
- Mr. Dressler asked about the change request that was approved at the last meeting regarding the upload feature. Chairwoman Krennerich answered that due to budget issues, the matter was put on hold by Secretary Richard. Ms. Krennerich added that whether the feature makes it into the existing or new system, it would be beneficial to all using the system.

10.) Act 375 Review

- Chairwoman Krennerich gave an overview of Act 375 of the 2023 Regular Legislative Session. Currently the operation and maintenance of the Parish E-file system is under the LDR and will move to the Uniform Local Sales Tax Board.
- The Act also calls for the development of a single electronic return. This new requirement allows the taxpayer to upload all LA information at one time and the

system will create the various distributions on the local side. There won't be separate uploads for each account number for taxpayer locations around the state.

- The Act creates an advisory committee to the Board. There will now be seven members serving on the new Committee, comprised of the LDR Secretary, 2 local collectors chosen by LATA, USLTB Chairman, LCPA, LABI and the LRA, with the latter three submitting names to the Governor for consideration. This new committee will be assisting the Board with the creation of the new system.
- The Department of Revenue will continue to maintain the existing system while the new system is being developed or until December 31, 2025.

11.) Other Business

- There was no other business discussed by the Committee.

12.) Public Comment

- There was no public comment offered.

13.) Next Meeting

- The next regularly scheduled meeting is scheduled for Thursday, November 9, 2023 at 10 AM, and will be held at the LAMPERS Building and via Zoom virtual meeting.

14.) Adjournment

- There being no further agenda items or public comment, Ms. Gerchow made a motion to adjourn which was seconded by Mr. Dressler. With no opposition, Chairman Krennerich declared the meeting adjourned at approximately 11:34 AM.

Respectfully submitted by:

Kressy Krennerich, Chairman