



Louisiana Uniform Local Sales Tax Board

Minutes of the Regular Meeting
Thursday, July 13, 2023 ~ 1:30 PM
LAMPERS Building, First Floor Executive Conference Room
7722 Office Park Blvd. Baton Rouge, LA 70809

Zoom Link: <https://us06web.zoom.us/j/93955109963?pwd=WS9vbTRwaW0ycUkySDU1aFB1c3Q1UT09>
Meeting ID: 939 5510 9963 Passcode: 663831

MEMBERS & PROXIES PRESENT (P) / ABSENT (A):

Members:

Dr. Janet Pope, LA School Board Executive Director	<u> A </u>
Mike Ranatza, LA Sheriff's Association Executive Director	<u> A </u>
John Gallagher, LA Municipal Association Executive Director	<u> A </u>
Guy Cormier, Police Jury Association of Louisiana Executive Director	<u> A </u>
Amanda Granier, LA School Board Association Appointee	<u> P </u>
Shawn McManus, LA Sheriff's Association Appointee	<u> P </u>
Kressy Krennerich, LA Municipal Association Appointee - Chairman	<u> P </u>
Jeffery LaGrange, Police Jury Association of Louisiana Appointee – Vice Chairman	<u> P </u>

Proxies:

Neshelle S. Nogess, LA School Board Association, Secretary	<u> A </u>
_____, LA Sheriff's Association (Vacant)	<u> </u>
Romy Samuel, LA Municipal Association	<u> P </u>
Debbie Henton, Police Jury Association of Louisiana	<u> P </u>

STAFF PRESENT:

Clarence Lymon, CPA, Executive Director	<u> P </u>
---	--------------

OTHERS PRESENT:

Andrew Kolb, Legal Counsel
Renee Roberie, Remote Sellers Commission (RSC)
Administrators participating via the Zoom Web Conferencing platform.

Each member of the Board received the following documents prior to the meeting:

1. Meeting Agenda
2. Meeting Minutes
3. Financial Statements – June 2023
4. FY 2023 YTD Budget Comparison - June 2023
5. Bill Payments – June 2023

Minutes of the Regular Meeting
Thursday, July 13, 2023 ~ 1:30 PM
Page 2

1. Roll Call

Chairman Krennerich called the meeting to order at 1:34PM.

The chair took a moment to introduce a new appointee to the Board, Ms. Romy Samuel, serving as proxy to LMA Executive Director, John Gallagher.

Acting Secretary McManus called the roll and a quorum was established.

2. Adoption of the Agenda

ON MOTION OF Amanda Granier, SECONDED BY Deborah Henton, AND CARRIED, the Board voted to adopt the agenda of the July 13, 2023 meeting of the LA Uniform Local Sales Tax Board.

3. Approval of the Minutes of the LA Uniform Local Sales Tax Board – June 8, 2023

ON MOTION OF Shawn McManus, SECONDED BY Jeffery LaGrange, AND CARRIED, the Board voted to approve the minutes of the meetings of the LA Uniform Local Sales Tax Board held June 8, 2023.

4. Remote Seller Commission Update

In absence of Remote Seller Commission Executive Director Renee Roberie, current RSC Chairman Mr. McManus provided an update on monthly collections through June of 2023. The June collections for May sales posted a 11.2% percent increase over the prior year performance, while the number of returns processed and number of open accounts continues to rise.

5. Executive Director's Report

• **Act 375 / HB 558 – Single Filing and Remittance System**

Director Lymon shared that while the Act will not take effect until January 1, 2024, there are multiple action items that need to be addressed proactively:

- Template and Instructions to update the Lookup Tool (Taxwatch)
- New URRAC Committee appointees (LATA, LRA, LABI)
- Work with the LA Office of Technology Services to define the software system to be procured and to determine what level of resources they will assign to the project

Chairman Krennerich expanded on the points above and reiterated that the Board will not wait until January to begin working on the responsibilities we are gaining via the Act. We have already reached out to these groups, and will be open to input, comments, and suggestions from all interested parties during this transition period.

- **Voluntary Disclosure Agreement – Proposed Amendment**

Director Lymon mentioned that we receive many questions about the VDA program; most frequently about Question #4 (application) and Section #4 (agreement). Each relate to whether or not the Taxpayer/Business making the request is affiliated with another that has been contacted about or is presently under an audit by a local collector. Director Lymon is open to amending the wording of these sections to provide additional clarity. The Board expressed concern as to whether these sections could be adversely affecting how Taxpayers answer this question or their desire to apply. Proposed language will be drafted for the Board to review at a later meeting.

- **Tax Advisory Proposals Pursuant to PPM No. 50.3**

Director Lymon stated that the following were items that commonly are raised in discussions with the Executive Director of the LATA, and local administrators at LATA conferences, IEM meetings, or via direct phone calls:

- Rent for re-rent exemption for oilfield equipment
- Taxability of magazines, newspapers, and periodicals
- Tangible Personal Property incorporated into an immovable

It is felt that there may be disparate treatment on these transactions at the local level, for which the Board's issuance of guidance may be of service to both collectors and businesses. There is a certain level of confusion that may exist due to differences between state and local taxability, as well as exclusions and exemptions and the suspension of such in recent years.

- **Groceries/Meal Delivery Services Update**

Director Lymon shared that we have been in communication with one of the primary companies providing this service and they are not sure if informal advice will be sufficient. We are still gathering information in order to form an educated opinion that can address the unique and variable contractual relationships that exist between buyers, service providers, and sellers. Once we are able to fully absorb these, more progress will be made towards providing formal advice.

- **LULSTB Staffing Update**

Director Lymon was pleased to share that we would soon be filling the Tax Research Analyst position with an Attorney who has accepted the position. The Board expressed congratulations on this achievement since the position has been open for some time.

6. Financial Reports

- **Financial Statements: June 2023**
- **Y-T-D Budget Comparison: June 2023**
- **Bills Paid Review/Approval: June 2023**

Director Lymon presented the various financial reports to the Board.

ON MOTION OF Shawn McManus, SECONDED BY Amanda Granier, AND CARRIED, the Board voted to receive the financial reports and approve the bill payments for the month of June 2023.

Other Business

Ms. Henton raised a concern of parish governments concerning municipalities that are located near parish borders with physical addresses that carry post office designations relating to neighboring parishes. Discussion ensued as to how this matter might be addressed by the Board. Chairman Krennerich commented that there are many areas like this across Louisiana. Mr. McManus mentioned the history and frequency of these issues in his home parish and that local collectors must work with taxpayers and businesses to address these matters as they arise, given that it does not seem possible to rectify this with the USPS.

Ms. Krennerich reminded local administrators that Administrator Training will take place on Thursday of the 3rd Quarter LATA Conference in Gonzales. She also shared that Board members will be attending the Southeast Association of Tax Administrators (SEATA) conference in Little Rock, AR over the coming week.

Executive Counsel Andrew Kolb stated that the earlier district court decision in the Halstead Bead case was affirmed last Friday by the LA 5th Circuit Court of Appeals. The Board had previously submitted an Amicus brief in support of the district decision. He felt that various myths raised in the case had been dispelled, and the Board lookup tool played a supportive role in the outcome. He also added that newly created Act 375 made this case almost moot.

Public Comment

No one from the public in attendance at the meeting or via Zoom requested to speak.

Adjournment

ON MOTION OF Amanda Granier, SECONDED BY Deborah Henton, AND CARRIED, the Board voted to adjourn at 2:41PM.