

LOUISIANA SALES AND USE TAX COMMISSION FOR REMOTE SELLERS

Minutes of May 7, 2020 Meeting

- I. **Call to Order/Roll Call** - The meeting of the Louisiana Sales and Use Tax Commission for Remote Sellers was called to order at 11:09 AM via Zoom by Chairman Krennerich. A quorum was established with seven of the eight members in attendance. Members present were:
1. Darlene Allen (LDR)
 2. Kimberly Robinson (LDR)
 3. Vanessa LaFleur (LDR)
 4. Kelli Jumper (LDR)
 5. Kressynda Krennerich (ULSTB)
 6. Jeffery LaGrange (ULSTB)
 7. Amanda Granier (ULSTB)
 8. Vacant (ULSTB)
- II. **Certification for Lack of Quorum**
- Chairman Krennerich made a statement that pursuant to Governor Edwards Executive Proclamation 52 JBE 2020, the Commission was providing for attendance via tele/video conference as allowed during the COVID-19 health emergency due to the inability to operate in person and establish a quorum.
- III. **Approval of Meeting Minutes from March 12, 2020**
- A motion was made to approve the meeting minutes from the meeting of March 12, 2020 by Ms. LaFleur and seconded by Ms. Granier. The minutes were unanimously approved without corrections.
- IV. **Update on Direct Marketer Registrations by LDR**
- As of the date of the meeting, Ms. Jumper stated that there are 2,423 active direct marketer registrations that have been approved to file as direct marketers. Registrations are continuing to increase.
 - Mr. Morris added that during the first calendar quarter of 2020 the Department of Revenue collected a little over \$16.8 million from direct marketers who have been approved to file. Of the quarterly distribution, the locals' portion comprised about \$8.2 million.
- V. **Update from Personnel Committee**
- Ms. LaFleur stated for the record that Ms. Granier and Mr. Lagrange will also serve as members of the Committee.

- Ms. LaFleur updated the members on the status of the two positions that were posted. Eight tax specialists and thirty executive director applications were received from the postings. Interviews will be set up to begin next week. A special meeting may be called to vet the recommended choices of the Committee. There was no public comment.

VI. Discussion Items:

A. Refund Interest Calculation

- Mr. Morris, Asst. Secretary with the Department of Revenue, stated that provisions in LA R.S. 47:340 (F)(3) states that “(3) Any consideration of a request for refund and any appeal of the commission's denial of a refund made to the Board of Tax Appeals shall occur in the same manner and be subject to the same deadlines as provided for in Chapter 18 of this Subtitle.” This will be brought into the new software for the Commission.

B. Update on Commission and Collectors Memorandums of Understanding

- Chairman Krennerich stated that the MOUs have been mailed to collectors including the State. Twenty agreements have been received back to date. Collectors were given until May 15th to return the MOUs. Delays may be inevitable due to local governments not operating at this time. Additional time will be considered for those who may need more time.

C. Availability and Functionality of Lookup Tool

- Initially when the software for the Commission was discussed a look up tool was in the process of being developed by the Uniform Local Sales Tax Board (“ULSTB”) and it was hopeful that it would be available to taxpayers for use with the new software. The look up tool is not ready at this time. Ms. Granier stated that a look up tool will be essential for taxpayers to have access to in order to have the correct information to file returns. Mr. Mekdessie asked via chat if a RFP would need to be issued for a look up tool should the Commission wish to purchase one. Mr. Morris stated that it would depend on what would need to go into the development of a tool. Ms. Krennerich asked that the members of the software working group have a few potential options by the next meeting for the members to consider. Mr. Bergeron stated that the ULSTB has not abandoned the lookup tool but it likely won't be functional before July 1st but he will keep the Commission posted on its development.
- Mr. Garrett asked via chat if the new system will be separate from the current state system in light of House Bill 791. Ms. Krennerich answered that we are not able to comment on the bill at the moment until the amendments are filed and adopted. Until the bill is passed the actual details are not known. Mr. Garrett added that he has been asked to draft the amendments and asked if the Commission has an opinion. Ms. Krennerich answered that she doesn't think there would be an objection from the local Executive Directors that the

local members represent. Ms. Granier added that the system being created for the Commission is a modified system and would not be able to collect outside of remote sales at this time.

- Mr. Sharp also posed a question via chat as to whether if an out of state sellers previous or current registration with the local parishes preclude acceptance as a remote seller. Ms. Krennerich answered no, taxpayers are welcome to continue to file with the parishes or can choose to register with the Commission and close their accounts with the local parishes.

VII. Action Items:

A. Adoption of Remote Sellers Commission Bulletin 20-XXX

- A draft bulletin was provided to members and the public via the Commission webpage for comment regarding the effective date for remote sellers registration for mandatory collections at actual current state and local rates. Mr. Morris added that the current statute mandates that the Commission is required to provide a thirty day notice and this bulletin serves as that notice. Also, that notices will begin to go out next week to current direct marketers who are registered with the Department of Revenue informing them of next steps for their accounts to be converted into the new Commission system. With no further discussion or public comment Ms. Granier made a motion to adopt the bulletin and Ms. Allen seconded. A roll call vote was taken with all members in unanimous agreement to adopt the bulletin and publish it to the Commission webpage.
- Andre Burvant inquired regarding the correspondence being sent to current direct marketers already registered with the LDR and how they would be receiving the correspondence being that many are working remotely at this time. The letters will be sent via mail and also electronically if the information is available.

B. Approval of Commission URL and Return Filing Portal URL

- The two URLs proposed for the return filing portal are RemoteSellersFiling.la.gov and RemoteSellersFiling.louisiana.gov. With no further discussion from members or the public Ms. Granier made a motion to accept the two URLs for the Commission and filing portal and Mr. LaGrange seconded. A roll call vote was taken and all unanimously agreed on the URLs.

C. Review of Senate Bill 138 and Proposed Amendments

- A copy of SB 138 and proposed amendments were provided for viewing and comment on the Commission webpage prior to the meeting. Mr. Morris gave an overview of SB 138 and proposed amendments which would require marketplace facilitators to collect sales and use taxes on behalf of the sellers on their sites. SB 138 is scheduled to be heard in the Senate Revenue and Fiscal Affairs Committee on May 8, 2020.

D. Adoption of Official Commission Position on SB 138

- With no further discussion or public comment a motion was made by Ms. Granier to adopt an official position of the Commission on SB 138 and the proposed amendments. The motion was seconded by Ms. LaFleur. A roll call vote was taken and all members were in agreement on the official position of SB 138 and amendments.

VIII. Other Business

A. Mailing Address for Commission Established

- The Commission has established an address of P.O. Box 2068, Baton Rouge, LA 70821.

IX. Public Comment

- There was no further public comment.

X. Adjournment

- With a motion by Ms. LaFleur and second by Ms. Granier, Chairman Krennerich declared the meeting adjourned at approximately 11:52 AM.