

LOUISIANA SALES AND USE TAX COMMISSION FOR REMOTE SELLERS

Minutes of June 18, 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 11:05 AM via Zoom virtual meeting by Chairman Krennerich. A quorum was established with six of the eight members in attendance. Members present were:
 1. Kressynda Krennerich (ULSTB)
 2. Darlene Allen (LDR)
 3. Vanessa LaFleur (LDR)
 4. Kelli Jumper (LDR)
 5. Jeffery LaGrange (ULSTB)
 6. Amanda Granier (ULSTB)

- II. **Certification for Lack of Quorum**
 - Chairman Krennerich made a statement that pursuant to Governor Edwards Executive Proclamation 75 JBE 2020, the Commission was providing for attendance via telephone/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 May 7, and May 21, 2020**
 - After review of the minutes, a motion was made to approve the meeting minutes from the meeting of May 7, and the special meeting of May 21, 2020 by Ms. Granier and seconded by Ms. Allen. 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 2,549 active direct marketer registrations that have been approved to file as direct marketers. Registrations are still averaging about one hundred new registrants per month.

- V. **Update from Personnel Committee**
 - Ms. LaFleur updated the members that the two ladies recommended for the tax specialist positions have accepted the positions and will be starting in the coming weeks. The search for an Executive Director continues and interviews will be had for this position in the next week.

VI. Discussion Items:

A. Remote Sellers Commission Website Update

- Chairman Krennerich announced that the website of the Commission is scheduled to go live in the next week.
- Following a call for public comment, Linda Babin inquired as to whether there will be a listserv subscription for the Remote Sellers Commission when new information is released. Ms. Krennerich answered yes, and that the Commission will have a subscription service similar to the Department of Revenue's Policy Information subscription service.

B. Remote Sellers Commission Registration Update

- Chairman Krennerich stated that the Commission's filing portal is on target to go live on July 1, 2020 to begin accepting applications for registration. A final review of the system operations will be conducted this week.

VII. Action Items:

A. Remote Sellers Commission Bulletin 20-XXX – Marketplace Facilitators

- Senate Bill 138 of the 2020 Regular Legislative Session was passed and signed by Governor Edwards creating Act 216. Luke Morris gave an overview of the draft bulletin which provides a summary of the legislation and guidance including the definition of a marketplace facilitator, and the registration and collection requirements of marketplace facilitators. More information will likely be issued by regulation at a later date. If economic nexus thresholds were met in calendar year 2019 or 2020, marketplace facilitators are required to apply for registration within 30 days of July 1, 2020.
- Following a call for public comment, Jean Farley asked about the collection date for remote sellers and whether marketplaces are also required to begin collecting on July 1, 2020. Mr. Morris clarified that the July 1st registration date applies across the board to everyone who meets the economic nexus thresholds as a remote seller. Starting July 1, 2020 remote sellers, as well as marketplace facilitators, begin the thirty-day window to register with the Commission and sixty-day window to begin collecting at the actual state and local sales tax rates.
- Following a call for public comment, Andre Burvant also inquired regarding the collection date for marketplace facilitators as well as remote sellers who received the letter from the Commission. Ms. Krennerich clarified that those remote sellers have thirty days to complete registration and sixty days to begin collecting at the actual rates.
- Following a call for public comment, Natalie Gaspari asked about direct marketers being able to continue to file returns for July and August while in the sixty day window. Ms. Krennerich answered that those direct marketer accounts will not be immediately closed and those direct marketers may use the direct marketer return for those filing periods if needed.

- With no further discussion or public comment, a motion was made by Mr. LaGrange and seconded by Ms. Allen to approve the bulletin for posting. A roll call vote was taken and with all members in unanimous agreement, the bulletin was adopted and will be posted to the Commission webpage.

B. Remote Sellers Commission FAQs (updated)

- A copy of the updated remote seller FAQs were posted to the webpage for viewing. Mr. Morris gave an overview of the updated FAQs beginning with question fourteen.
- Ms. Allen suggested for number twenty-one, that language be added as to clarify that direct marketers continue to file as a direct marketer until they begin collecting and remitting with the Commission. Mr. Morris will add language.
- Ms. Granier requested additional information be added for number nine regarding the continued collection requirement of direct marketers upon approval to file with the Commission.
- Ms. Granier also asked that language be added to number eight stating that conversions will not continue to happen from LDR to the Commission in the future. Remote Sellers will be required to monitor their collections to determine when the thresholds are met and when they will need to apply to register with the Commission.
- Andre Burvant asked about the conversion letter previously sent to direct marketers currently registered with the Department of Revenue regarding the collection date of July 1, 2020. Chairman Krennerich answered that an updated letter and email will go out to those direct marketers in the coming weeks clarifying the language of the registration and collection timeline.
- Natalie Gaspari asked about the direct marketer accounts being converted into the Commission's system being penalized for not filing July or August returns. Ms. Krennerich answered that the compliance feature will not be turned on for those accounts within the sixty-day period, so there should be no penalty assessed for non-filing of those periods with the Commission. Ms. Krennerich also reiterated that those accounts will still need to go in to complete registration with the Commission before there account is fully registered.
- With no further discussion or public comment, Ms. Allen made a motion to accept the FAQs as amended for approval and posting to the Commission webpage. The motion was seconded by Ms. Granier. A roll call vote was taken and with all members being in unanimous agreement the revised FAQs were approved and will be posted to the Commission webpage.

C. Accounting Software

- The Office of Technology Services has recommended Quick-Books as the vendor to best accommodate the needs of the Commission as an accounting

software. With no further discussion or public comment, Ms. Allen made a motion to approve OTS to purchase the licenses for Quick-Books to be used as the accounting software for the Remote Sellers Commission. The motion was seconded by Ms. Granier. A roll call vote was taken and with all members being in unanimous agreement the Quick Books licenses will be purchased.

VIII. Remote Sellers Commission Portal Demo

- Redmond Saunier of LDR gave a walkthrough of the website and registration process for new registrants in the Remote Sellers Commission filing portal.
- Ms. Krennerich added that the first possible date a return can be submitted to the Commission will be August 3, 2020.

IX. Other Business

- There was no further business discussed.

X. Public Comment

- There was no further public comment.

XI. Adjournment

- With a motion by Ms. Allen and second by Mr. LaGrange, Chairman Krennerich declared the meeting adjourned at approximately 11:59 AM.