

LOUISIANA SALES AND USE TAX COMMISSION FOR REMOTE SELLERS

Minutes of September 26, 2018 Meeting

- I. **Call to Order/Roll Call** - The meeting of the Louisiana Sales and Use Tax Commission for Remote Sellers (Commission) was called to order at 1:37 PM by Secretary Robinson of the Louisiana Department of Revenue. Ms. Robinson announced the resignation of Gregory Rupert and the notice from the Louisiana Sheriffs' Association that Jeanine Theriot would be his replacement. With that change, a quorum was established with all members being in attendance. Members present were:
 1. Kimberly Robinson (LDR)
 2. Darlene Allen (LDR)
 3. Vanessa LaFleur (LDR)
 4. Kelli Jumper (LDR)
 5. Tiffani Delapasse (ULSTB)
 6. Donna Andries (ULSTB)
 7. Amber Hymel (ULSTB)
 8. Jeanine Theriot (ULSTB)

- II. **Approval of Meeting Minutes from August 9, 2018**
 - A motion was made to approve the meeting minutes from the meeting of August 9, 2018 by Ms. Andries and seconded by Ms. Delapasse. All members agreed and the minutes were approved.

- III. **Who/What is a "Remote Seller"?**
 - A handout was provided to members of the current definitions set forth in existing law. R.S. 47:309.1 gives the definition of "Remote Retailer" for reporting requirements, R.S. 47:302(K) provides the definition of "Dealer" with regard to remitting on the Direct Marketer Sales Tax Return, and R.S. 47:301 gives the redefined definition of "Dealer" by Act 5. Definitions can and will be further defined as more discussion is had. Questions have been received with regard to Brick and Mortar Stores, Marketplaces with warehouses, and Facilitator Distribution Centers. Discussion on issuing a second Information Bulletin with regard to these definitions and whether they may all be considered interchangeable. Clarification through legislation may be an option in the upcoming Legislative Session. Ms. Andries suggests the Commission should do both, issue guidance and seek to clarify the definitions through legislation. Ms. Delapasse would like to gather input from the locals before a decision is made. A proposal was made to start working on a draft of the guidance for consideration and send to the ULSTB to gather feedback from the

local administrators for discussion at the next meeting. Ms. Theriot would also like to gather feedback from the Louisiana Sheriffs' Association.

IV. Technology Sub-Committee Update

- Ms. Delapasse and sub-committee members spoke via phone with Scott Peterson of Avalara to gather some general information on the software and the relationship between the retailer and the provider. Avalara maintains several databases including boundaries, rates and also a product code listing and they work in concert with one another. A combination of the product code and domicile code occurs at the point of checkout and focuses on the transaction type. Avalara does not currently contract with governmental entities.
- Sub-Committee plans to speak with another vendor and report back at the next meeting.
- Commission has the ability to issue a RFP for a service provider that would not be tied to the streamlined governing board process.
- Ms. Jumper reported that as of today, LDR has processed eight direct marketer returns since the application has been posted. Ms. Andries requested that LDR inform the local administrators if a company that applies to file as a direct marketer is determined by LDR to have nexus. Ms. Jumper agreed the LDR would be willing to do so.

V. LDR Report on Multistate Tax Marketplace Facilitator Workgroup

- Luke Morris of the LDR provided an update from the Multistate Tax Commission (MTC) Facilitator Workgroup Discussions. The workgroup has a weekly conference call with the States and the public on Wednesday afternoon. The purpose is to gather information on different issues to eventually develop model legislation for the states to consider adopting. Louisiana is participating on the conference calls. Retailers such as Amazon, Ebay, and Etsy are also participating. Previous discussions have been on definitions of marketplaces and facilitators. Other issues being discussed are how audits will be determined. More information on the public meetings can be found at mtc.gov.

VI. Other Business

- October meeting date has conflicts and will need to be rescheduled. October 18, 2018 at 1:30 pm was proposed. Ms. Thomas will confirm the date of the meeting with members.
- **Commission Action Items**
 - Draft Information Bulletin on Remote Seller Definition
 - Technology Sub-Committee Update
 - Streamlined Governing Board Meeting Update

VII. Public Comment

- Matthew Mantel posed a question related to the direct marketer returns related to physical presence. Mr. Morris of LDR answered that there are a list of questions on page two of the application, and if any are answered yes, then most likely the company should register as a regular dealer to collect and remit sales tax. Additional information may be required to determine if physical presence exists. The company can also send in more information attached to the application when submitted if an answer of yes is provided.
- Andre Burvant asked if the public will have the ability to submit to the Commission their proposed definition of remote seller for public comment at later meetings. Ms. Robinson asked that an email address be set up for the Commission and those proposals and questions be sent there for consideration. Ms. Thomas will have an email address set up for the Commission.

VIII. Adjournment

- Meeting was adjourned at approximately 2:28 PM.