

THE NATIONAL LAW REVIEW

June 2019 Louisiana Remote Sellers Commission Meeting Brings Good News and... No News

Friday, June 21, 2019

Monday's meeting in Baton Rouge of the [Louisiana Sales and Use Tax Commission for Remote Sellers](#) (the "Commission") included two pieces of good news for just about everyone involved in or affected by the state's effort to centralize the collection and remittance of sales taxes for remote sales. Unfortunately, there still remains a lack of clarity as to exactly who will be subject to the remote seller provisions of Act No. 5 of the 2018 2nd Extraordinary Session ("Act 5") and HB 547, (signed into law by Governor Edwards on June 17, 2019 and designated as Act No. 360)... but let's get to that in a moment.

First, the Technology Sub-Committee reported that it is close to completing the local tax matrix. When finished, the matrix will include all of the sales tax rates for all of the state's local sales tax jurisdictions, as well as relevant exemptions and exclusions.

Second, the Committee also reported that the draft central sales tax return is nearing completion. This return will be used by qualifying remote sellers to report and remit sales taxes collected on remote sales of items delivered into Louisiana.

Following the completion of these essential steps, Louisiana will be able to provide this information to software service providers, who will, in their turn, be able to develop software to be utilized by remote sellers to prepare and file the Commission's central tax return.

In the meantime, the clock is ticking for the Commission and businesses alike: Act 5 and Act 360 take effect for tax periods beginning July 1, 2019, with the Commission acting as the single collector of state and local sales taxes for remote sellers and as the party responsible for distributing local sales taxes to parishes and sub-jurisdictions. Until the Commission has established its central collection system, remote sellers will be able to use the state direct marketer's return, which provides for a flat 8.45% rate to cover state and local sales taxes.

All of this is the good news that came out of this week's meeting of the Commission. The "no news" of the title relates to [the issue we reported on last week](#): to whom will Act 5 and Act 360 actually apply? More than 900 businesses have voluntarily registered to collect and remit sales tax using the direct marketer's return. Looking ahead, however, it is quite possible that at least some of these might not qualify as "remote sellers" given the narrow definition of "remote sellers" in Act 360. The Commission's meeting also lacked any discussion whatsoever about marketplace sales. While we applaud the Commission's progress toward the development of a central return for remote sales, it remains to be seen when and how the Commission will take up other core issues.

There is one more piece of important news that came out of this week's meeting: the election of the coming year's Commission officers. Jeanine Theriot, the Sales Tax Administrator of the Jefferson Parish Sheriff's Office and a member of the Commission representing the Louisiana Sheriff's Association, was elected chairman, replacing Kimberly Robinson, Secretary of the Louisiana Department of Revenue. Darlene Allen, of the LDR, was elected vice-chairman, replacing Tiffani Delapasse, a member of the ULSTB.



Article By [Jones Walker LLP](#)
[Andre Burvant](#) [Cooking with SALT](#)

[Tax](#)
[Louisiana](#)

Source URL: <https://www.natlawreview.com/article/june-2019-louisiana-remote-sellers-commission-meeting-brings-good-news-and-no-news>