

NOTICE OF INTENT

Department of Revenue Policy Services Division

Mandatory Electronic Filing of Telecommunication Tax for the Deaf Tax Returns (LAC 61:III.1529)

Under the authority of Act 150 of the 2017 Regular Session of the Louisiana Legislature which authorizes the secretary the discretion to require electronic filing of tax returns or reports by administrative rule promulgated with legislative oversight in accordance with the Administrative Act, R.S. 47:1511, 1519, 1520, and, in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 *et seq.*, the Department of Revenue, Policy Services Division, gives notice that rulemaking procedures have been initiated to adopt LAC 61:III.1529 to provide for mandatory electronic filing requirements for the Telecommunication Tax for the Deaf tax returns.

Title 61

REVENUE AND TAXATION

Part III. Administrative and Miscellaneous Provisions

Chapter 15. Mandatory Electronic Filing of Tax Returns and Payment

§1529. Telecommunication Tax for the Deaf—Electronic Filing Requirements

A. R.S. 47:1520(A)(2) allows the secretary to require electronic filing of any return or report required by the Department of Revenue for the administration of the Telecommunications for the Deaf Fund filed by a local or wireless telecommunication service company operating in Louisiana.

B. Effective for the third quarter of the 2018 taxable calendar and all other taxable calendar quarters thereafter, all reports and returns filed by a local or wireless telecommunication service company operating in Louisiana shall be filed electronically with the Department of Revenue on or before the thirtieth day following the close of the reporting period using the electronic format provided by the department.

C. 1. Failure to comply with the electronic filing requirement of this section in the absence of an undue hardship exemption will result in the assessment of a penalty as provided for in R.S. 47:1520(B).

2. Waiver of the penalty provided for in Paragraph 1 of this Subsection shall only be allowed as provided for in R.S. 47:1520(B).

AUTHORITY NOTE: Promulgated in accordance with R.S. 47:1511, 1061, and 1520.

HISTORICAL NOTE: Promulgated by the Department of Revenue, Policy Services Division, LR

Family Impact Statement

The proposed adoption of this rule should have no known or foreseeable impact on any family as defined by R.S. 49:972(D) or on family formation, stability and autonomy. Specifically, the implementation of this proposed rule has no known or foreseeable effect on:

1. The stability of the family.
2. The authority and rights of parents regarding the education and supervision of their children.
3. The functioning of the family.
4. Family earnings and family budget.
5. The behavior and personal responsibility of children.
6. The ability of the family or a local government to perform this function.

Poverty Statement

The proposed rule has no known impact on poverty as described in R.S. 49:973.

Provider Impact Statement

The proposed rule has no known or foreseeable effect on:

1. The staffing levels requirements or qualifications required to provide the same level of service.
2. The total direct and indirect effect on the cost to the provider to provide the same level of service.
3. The overall effect on the ability of the provider to provide the same level of service.

Small Business Statement

The proposed rule has no known measurable impact on small businesses as described in R.S. 49:965.6.

Public Comments

All interested persons may submit written data, views, arguments or comments regarding this proposed rule to Annie L. Gunn, Attorney, Policy Services Division, Office of Legal Affairs, P.O. Box 44098, Baton Rouge, LA 70804-4098. Written comments will be accepted until 4:30 p.m., May 28, 2018.

Public Hearing

A public hearing will be held on May 29, 2018 at 9:30 a.m. in the LaBelle Room, located on the 1st floor of the LaSalle Building, 617 North Third Street, Baton Rouge, Louisiana.

Kimberly Lewis Robinson
Secretary of Revenue

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Kimberly Lewis Robinson
Secretary of Revenue

**Fiscal and Economic Impact Statement
For Administrative Rules**

Person preparing statement:	<u>Ed Landry</u>	Department:	<u>Revenue</u>
Phone:	<u>(225) 219-2797</u>	Office:	<u>Policy Services Division</u>
Return Address:	<u>617 North Third Street</u>	Rule Title:	<u>LAC 61:III.1529</u>
	<u>Baton Rouge, LA 70802</u>	Date Rule Takes Effect:	<u>July 20, 2018</u>

Summary

In accordance with Section 953 of Title 49 of the Louisiana Revised Statutes, there is hereby submitted a fiscal and economic impact statement on the rule proposed for adoption, repeal or amendment. The following summary statements, based on the attached worksheets, will be published in the *Louisiana Register* with the proposed agency rule.

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

This proposal adopts a rule that requires electronic filing of Telecommunication Tax for the Deaf Tax returns. This proposal also provides for the assessment and waiver of penalties for non-compliance.

Implementation of this proposal will not result in material additional costs or cost savings to governmental units. Computer system acceptance of the required electronic returns is already in place. Electronic filing of this tax return will be available directly through LDR's LaTap portal that will allow taxpayers to file these returns for free. Accounting for non-compliance penalties will not result in material additional costs.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

This proposal may increase revenues from penalties by an indeterminable amount. A modest and temporary increase in revenue from penalties is possible as the proposed rule is implemented, although LDR cannot predict non-compliant behavior. For information, on returns that are currently required to be filed electronically, LDR collected approximately \$16,000 in FY15, \$20,000 in FY16, and \$7,000 in FY17.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS (Summary)

LDR does not have the information necessary to determine the additional costs to comply with this change, but these costs are expected to be minimal, as online access and activity has largely become a business standard. To the extent non-compliance penalties are collected, affected taxpayers will incur penalty costs. LDR cannot estimate the additional penalty amount.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

This proposal is not expected to have any significant effect on competition or employment.

Signature of Agency Head or Designee
Kimberly Robinson, Secretary

Typed Name and Title of Agency Head or Designee

Legislative Fiscal Officer Designee
Greg Albrecht, Chief Economist

Typed Name of Legislative Fiscal Officer Designee

Date of Signature

Date of Signature