

## NOTICE OF INTENT

### Department of Revenue Policy Services Division

#### Mandatory Electronic Filing of Consumable Hemp Products Tax Returns and Payment of Tax (LAC 61.III.1535 and 1536)

Under the authority of R.S. 47:1511, 47:1519, 47:1520, and 47:1695, and in accordance with 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 amend LAC 61.III.1535 and 1536, regarding mandatory electronic filing and payment requirements for the Industrial Hemp-Derived CBD Tax Return. Act 336 of the 2021 Regular Session (“Act 336”) changed the name of the tax to Consumable Hemp Products Tax and expanded its applicability.

R.S. 47:1519(B)(1) authorizes the secretary to require payments by electronic funds transfer, and R.S. 47:1520(A)(2) 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 Procedure Act, R.S. 49:950 *et seq.* The purpose of this amendment is to revise the terminology in the regulation consistent with the changes to the tax statutes made by Act 336.

### Title 61

#### REVENUE AND TAXATION

##### Part III. Administrative and Miscellaneous Provisions

##### Chapter 15. Mandatory Electronic Filing of Tax Returns and Payment

##### **§1535. Industrial Hemp-Derived CBD and Consumable Hemp Products Tax Return – Electronic Filing Requirements**

A. 1. For tax periods beginning on or after January 1, 2020 and before August 1, 2021, every industrial hemp-derived CBD retailer shall be required to file the Industrial Hemp-Derived CBD Tax return electronically with the Department of Revenue using the electronic format prescribed by the department.

2. For tax periods beginning on or after August 1, 2021, every consumable hemp products retailer shall be required to file the Consumable Hemp Products Tax return electronically with the Department of Revenue using the electronic format prescribed by the department.

B. - C.2. ...

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

HISTORICAL NOTE: Promulgated by the Department of Revenue, Policy Services Division, LR 45:1810 (December 2019), amended by the Department of Revenue, Policy Services Division, LR 47: .

##### **§1536. Industrial Hemp-Derived CBD and Consumable Hemp Products Tax - Electronic Payment Required**

A. R.S. 47:1519(B)(1) allows the secretary to require payment of ~~the industrial hemp-derived CBD~~ tax by electronic funds transfer.

B. 1. Effective for all taxable periods beginning on or after January 1, 2020 and before August 1, 2021, all payments by an industrial hemp-derived CBD retailer shall be electronically transferred to the Department of Revenue on or before the twentieth day following the close of the reporting period using the electronic format provided by the department.

2. Effective for all taxable periods beginning on or after August 1, 2021, all payments by a consumable hemp products retailer shall be electronically transferred to the Department of Revenue on or before the twentieth day following the close of the reporting period using the electronic format provided by the department.

C. – G. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 47:1511, 47:1519, 47:1520 and 47:1695.

HISTORICAL NOTE: Promulgated by the Department of Revenue, Policy Services Division, LR 45:1810 (December 2019), amended by the Department of Revenue, Policy Services Division, LR 47:\_\_\_.

#### 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 Impact Statement**

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

#### **Small Business Impact Analysis**

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

#### **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.

#### **Public Comments**

All interested persons may submit written data, views, arguments or comments regarding this proposed rule to Brandea Averett, 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., September 21, 2021.

#### **Public Hearing**

A public hearing will be held on September 22, 2021 at 8:30 a.m. in the LaBelle Room, located on the 1st floor of the LaSalle Building, 617 North Third Street, Baton Rouge, Louisiana.

Kimberly J. Lewis  
Secretary of Revenue

## NOTICE OF INTENT

### Department of Revenue Policy Services Division

#### Mandatory Electronic Filing of Consumable Hemp Products Tax Returns and Payment of Tax (LAC 61.III.1535 and 1536)

Under the authority of R.S. 47:1511, 47:1519, 47:1520, and 47:1695, and in accordance with 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 amend LAC 61.III.1535 and 1536, regarding mandatory electronic filing and payment requirements for the Industrial Hemp-Derived CBD Tax Return. Act 336 of the 2021 Regular Session (“Act 336”) changed the name of the tax to Consumable Hemp Products Tax and expanded its applicability.

R.S. 47:1519(B)(1) authorizes the secretary to require payments by electronic funds transfer, and R.S. 47:1520(A)(2) 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 Procedure Act, R.S. 49:950 *et seq.* The purpose of this amendment is to revise the terminology in the regulation consistent with the changes to the tax statutes made by Act 336.

#### Title 61

### REVENUE AND TAXATION

#### Part III. Administrative and Miscellaneous Provisions

#### Chapter 15. Mandatory Electronic Filing of Tax Returns and Payment

#### **§1535. Industrial Hemp-Derived CBD and Consumable Hemp Products Tax Return – Electronic Filing Requirements**

A. 1. For tax periods beginning on or after January 1, 2020 and before August 1, 2021, every industrial hemp-derived CBD retailer shall be required to file the Industrial Hemp-Derived CBD Tax return electronically with the Department of Revenue using the electronic format prescribed by the department.

2. For tax periods beginning on or after August 1, 2021, every consumable hemp products retailer shall be required to file the Consumable Hemp Products Tax return electronically with the Department of Revenue using the electronic format prescribed by the department.

B. - C.2. ...

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

HISTORICAL NOTE: Promulgated by the Department of Revenue, Policy Services Division, LR 45:1810 (December 2019), amended by the Department of Revenue, Policy Services Division, LR 47: .

#### **§1536. Industrial Hemp-Derived CBD and Consumable Hemp Products Tax - Electronic Payment Required**

A. R.S. 47:1519(B)(1) allows the secretary to require payment of tax by electronic funds transfer.

B. 1. Effective for all taxable periods beginning on or after January 1, 2020 and before August 1, 2021, all payments by an industrial hemp-derived CBD retailer shall be electronically transferred to the Department of Revenue on or before the twentieth day following the close of the reporting period using the electronic format provided by the department.

2. Effective for all taxable periods beginning on or after August 1, 2021, all payments by a consumable hemp products retailer shall be electronically transferred to the Department of Revenue on or before the twentieth day following the close of the reporting period using the electronic format provided by the department.

C. – G. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 47:1511, 47:1519, 47:1520 and 47:1695.

HISTORICAL NOTE: Promulgated by the Department of Revenue, Policy Services Division, LR 45:1810 (December 2019), amended by the Department of Revenue, Policy Services Division, LR 47: \_\_.

#### 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 Impact Statement**

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

#### **Small Business Impact Analysis**

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

#### **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.

#### **Public Comments**

All interested persons may submit written data, views, arguments or comments regarding this proposed rule to Brandea Averett, 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., September 21, 2021.

#### **Public Hearing**

A public hearing will be held on September 22, 2021 at 8:30 a.m. in the LaBelle Room, located on the 1st floor of the LaSalle Building, 617 North Third Street, Baton Rouge, Louisiana.

Kimberly J. Lewis  
Secretary of Revenue

**FISCAL AND ECONOMIC IMPACT STATEMENT  
FOR ADMINISTRATIVE RULES**

Person preparing  
statement:  
Phone:  
Return Address:

Shirley Bonaccorso  
(225) 219-2780  
617 North Third Street  
Baton Rouge, LA 70802

Department: Revenue  
Office: Policy Services Division  
Rule Title: LAC 61.III.1535, 1536  
Date Rule  
Takes Effect: November 20, 2021

**SUMMARY**  
(Use complete sentences)

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 STATEMENTS SUMMARIZE ATTACHED WORKSHEETS, I THROUGH IV AND WILL BE PUBLISHED IN THE LOUISIANA REGISTER WITH THE PROPOSED AGENCY RULE.

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

The proposed rule will not result in implementation costs or savings to state or local governmental units. The proposed rule amends the electronic filing and payment mandate for industrial hemp-derived CBD to update the name of the tax to Consumable Hemp Products for periods beginning on or after August 1, 2021, as a result of Act 336 of the 2021 Regular Session.

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

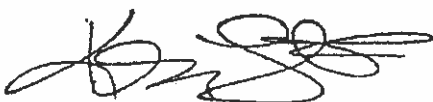
The proposed rule will have no direct impact on annual state or local revenue collections. The proposed rule updates the name of the tax to comply with recent legislative action as provided in Act 336 of the 2021 Regular Session.

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

The proposed rule will have a slight economic impact on the affected taxpayer by clarifying the proper name of the tax return and payments required to be filed electronically as a result of Act 336 of the 2021 Regular Session.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

The proposed rule will have no impact upon competition and employment in the state.



Signature of Agency Head or Designee  
Kimberly J. Lewis, Secretary  
Typed Name and Title of Agency Head or Designee

Date of Signature



Legislative Fiscal Officer Designee  
ALAN BOXBERGER, DEPUTY FISCAL OFFICER  
Typed Name of Legislative Fiscal Officer Designee

Alan Boxberger 9/10/21  
Date of Signature