

RULE

Department of Revenue Policy Services Division

Lessors of Motor Vehicles—Electronic Filing Requirement (LAC 61:III.1511)

Under the authority of R.S. 47:1511, 1520, and 48:77 and in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq., the Department of Revenue, Policy Services Division, adopts LAC 61:III.1511. This rule will require that renters and lessors of motor vehicles electronically submit sales tax returns to the Louisiana Department of Revenue on which their revenues from motor vehicle leasing and renting, deductions, and tax collections pertaining thereto, are distinguishable on the electronic returns from revenues, deductions, and tax collections related to other sales taxable transactions of the dealers.

R.S. 47:1520(A) authorizes the secretary to mandate electronic filing of tax returns and reports under certain circumstances, including when the report is required for dedicated fund distribution. R.S. 47:1520(A)(2) provides that the electronic filing requirement be implemented by administrative rule. R.S. 47:1520(B) contains penalty provisions for dealers' failure to comply.

Acts 2008 2nd Ex. Sess., No. 11 enacted R.S. 48:77(A) to dedicate percentages of the sales tax collections from motor vehicle leases and rentals to the Transportation Trust Fund beginning July 1, 2008. This information is not separately reported on the sales tax return and there is no space to add the lines to the current tax return. Mandated electronic filing for motor vehicle leasing and renting dealers was selected because it is the most cost-effective means to obtain the required sales tax data.

Title 61

REVENUE AND TAXATION

Part III. Department of Revenue—Administrative Provisions and Miscellaneous

Chapter 15. Electronic Filing and Payments

§1511. Lessors of Motor Vehicles—Electronic Filing Requirement

A. Definitions

Motor Vehicle—any self-propelled device used to transport people or property on the public highways.

B. R.S. 48:77 dedicates a percentage of the sales tax collections from the motor vehicle leases and rentals to the Transportation Trust Fund effective July 1, 2008.

C. Beginning with the July 2008 filing period, dealers who collect sales tax on motor vehicle leases and rentals are required to file their sales tax returns electronically with the Department of Revenue using the electronic format prescribed by the department.

1. The electronic sales tax return will provide for the separate reporting of the sales tax collected on motor vehicle leases and rentals.

2. The electronic sales tax return will provide for separate reporting of exempt motor vehicle leases and rentals.

D. Failure to comply with this electronic filing requirement will result in the assessment of a penalty of \$100 or five percent of the tax, whichever is greater, as provided by R.S. 47:1520(B).

1. If it is determined that the failure to comply is attributable, not to the negligence of the taxpayer, but to other cause set forth in written form and considered reasonable by the secretary, the secretary may remit or waive payment of the whole or any part of the penalty.

2. If the penalty exceeds \$25,000, it may be waived by the secretary only after approval by the Board of Tax Appeals.

AUTHORITY NOTE: Promulgated in accordance with R.S. 47:1511, 47:1520, and 48:77.

HISTORICAL NOTE: Promulgated by the Department of Revenue, Policy Services Division, LR 34:1929 (September 2008).

Cynthia Bridges
Secretary