



**Revenue Information Bulletin No. 01 - 008
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Sales and Use Tax**

**Dealers Allowed to Absorb Sales and Use Tax
Under Certain Circumstances**

Act 245 of the 2001 Regular Legislative Session amended R.S. 47:304(F) to allow a dealer to absorb all or part of the sales and use tax or to relieve the purchaser from paying all or any part of the tax when the dealer has met certain conditions. The effective date of the Act is July 1, 2001.

A dealer may advertise or make known to the public, either directly or indirectly, that he will absorb the tax or relieve the purchaser from paying all or any part of the tax if:

- a. The dealer includes in the advertisement that any part of the tax not paid by the purchaser will be remitted on behalf of the purchaser by the dealer; and
- b. The dealer provides the purchaser with written evidence that the dealer will be liable for and will pay any tax that the purchaser did not pay.

Any dealer who advertises without complying with the above provisions shall be fined not less than twenty-five dollars nor more than two hundred fifty dollars, or imprisoned for not more than three months, or both. For a second or subsequent offense, the penalty shall be double.

For further information, please contact the Policy Services Division at 225-219-2780.

Cynthia Bridges
Secretary

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