



## Voluntary Disclosure Agreement July 1, 2011

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### **What is voluntary disclosure?**

Voluntary disclosure is the process of reporting undisclosed liabilities for any tax administered by the Louisiana Department of Revenue. Taxpayers may anonymously enter into agreements and voluntarily pay their taxes with a reduced or no penalty. In most cases, taxpayers enjoy a limited "look-back" period. The voluntary disclosure program helps coordinate the registration and payment process and provides general responses to tax related questions. The Louisiana Department of Revenue has a voluntary disclosure program for all of the taxes it administers, including (but not limited to):

- Individual income tax
- Sales and use tax
- Corporation income and franchise tax
- Severance taxes, including oil and gas severance tax
- Excise taxes

### **Who is eligible?**

Any taxpayer who has a filing requirement for a tax administered by the Louisiana Department of Revenue, is not currently registered with the Department for the same tax, and has not been previously contacted by the Department concerning their filing requirement is eligible for consideration of a voluntary disclosure agreement. A company that is currently registered with the Department may request a voluntary disclosure agreement for an entity it has acquired by purchase or merger provided the acquired company would have qualified under the conditions listed above. Only the undisclosed taxes of the acquired company for taxes due prior to the acquisition or merger would be eligible for a voluntary disclosure agreement.

### **Who is not eligible?**

A taxpayer who is registered but failed to file returns or who submitted returns, extensions, or payments for any tax for which the voluntary disclosure agreement (VDA) is requested is not eligible for consideration. These taxpayers must file the appropriate original or amended return(s) and pay the tax, interest, and delinquent penalty due. However, the taxpayer may request a waiver of the delinquent penalty for a reasonable cause.

A taxpayer who has been contacted by the Department of Revenue concerning a liability or potential liability of tax for which a VDA is requested generally does not qualify. This includes any contact made for the purpose of performing an audit of the taxpayer's records. Disclosures relating to delinquencies or deficiencies that are obvious and would routinely generate a billing if not otherwise self-disclosed are not eligible for consideration. Disclosures related to the non-filing affiliates of a taxpayer who has been contacted for audit are not eligible for consideration.

## **What are the benefits to the taxpayer?**

After the tax and interest liabilities have been paid for the look-back period, delinquent penalties will be waived unless the tax being disclosed has been collected but not remitted. In instances where tax is collected but not remitted, a request to waive some portion of the penalty would be considered on a case-by-case basis.

## **How far back will the Department look?**

The look-back period is the period for which prescription *would not* have run had returns been filed timely. Generally, this includes returns due during the current calendar year and the three immediately preceding calendar years. The look-back period is established when the application is received by the Department (See La. Rev. Stat. Ann. § 47:1580). Failure to take advantage of this program could result in the Department holding the taxpayer liable for all periods for which returns should have been filed. In the case of taxes collected but not remitted, the look-back period will include all taxable periods for which there were collected but unremitted taxes.

## **How do I apply?**

You may apply anonymously by completing form R-60010 (*Application to Request Voluntary Disclosure Agreement*), which can be found on the Department's website. You must provide all of the information required with the application before your request will be considered. If it is determined that you would qualify to participate in the program based upon your responses in the application, the Department of Revenue will mail a blank Voluntary Disclosure Agreement to you or your representative.

You must incorporate all facts and representations regarding your situation on the agreement. The Department will consider all available information before deciding to enter into the agreement. You may remain anonymous until after the agreement is signed by both parties. If you choose to forego anonymity and include your payment along with the voluntary disclosure application, please include your FEIN or SSN (as applicable) on your check and an application for account number (CR-1, R-16019) to assist in properly applying the payment. Make your check payable to the Louisiana Department of Revenue.

Mail the voluntary disclosure application to:

Louisiana Department of Revenue  
Voluntary Disclosure Program – Field Audit Services Division  
PO Box 4936  
Baton Rouge, Louisiana 70821-4936

Or deliver it to:

Louisiana Department of Revenue  
LaSalle Building  
Voluntary Disclosure Program – Field Audit Services Division  
617 North Third St, Room 562  
Baton Rouge, Louisiana 70821-5431

Applications may also be faxed to 225-219-2740 or e-mailed to [vda.ldr@la.gov](mailto:vda.ldr@la.gov).