

LOUISIANA SALES AND USE TAX COMMISSION FOR REMOTE SELLERS

Minutes of November 12, 2020 Meeting

- I. **Call to Order/Roll Call** - The meeting of the Louisiana Sales and Use Tax Commission for Remote Sellers was called to order at 11:05 AM by Chairman Allen. Ms. Allen announced a letter received from the Louisiana Sheriff's Association appointing Mr. Shawn McManus to the Uniform Local Sales Tax Board who also serves as a member of the Commission. A quorum was established with all eight members in attendance. Members present were:
1. Darlene Allen (LDR)
 2. Jeffery LaGrange (ULSTB)
 3. Kimberly Robinson (LDR)
 4. Kressynda Krennerich (ULSTB)
 5. Kelli Jumper (LDR)
 6. Danielle Clapinski (LDR)
 7. Amanda Granier (ULSTB)
 8. Shawn McManus (ULSTB)
- II. **Approval of Meeting Minutes from October 15, 2020**
- After review of the minutes, a motion was made to approve the meeting minutes from the meeting of October 15, 2020 by Mr. LaGrange, and seconded by Ms. Krennerich. The minutes were unanimously approved without corrections.
- III. **Update on Direct Marketer/Remote Seller Registrations by LDR**
- Ms. Jumper reported that there are currently 1,837 active remote seller registrations, including the 732 accounts converted into the Commission's system.
 - Ms. Jumper reported that there are 2,366 active direct marketer registrations. These numbers are expected to continue to decline as new registrations for remote sellers are received.
- IV. **Discussion Items:**
- A. **Remote Sellers Commission Website and Filing Portal Update**
- Chairman Allen stated that the system has been operating well since going live. An update regarding the upcoming sales tax holiday will be added soon.

B. Remote Sellers Commission Return/Collection Update

- The Commission’s work group is continuing to work with Avenu on updates to the system. The processing of debits and credits is ongoing and should be available in the near future.

C. Act 216 of 2020 Regular Session, LA R.S. 47:302(V)(2)

- Chairman Allen stated that instead of issuing guidance as previously discussed, the remote sellers application will be amended to address any nuances when applying. Marketplace facilitators will also be included in this update.

D. Professional Services Contract

- Chairman Allen indicated that more information will be presented at the next meeting of the Commission on obtaining contracts for legal, financial and payroll services.

E. Remote Sellers Information Bulletin 20-XXX – Sales Tax Holiday

- A draft of the information bulletin was provided to members for review. Secretary Robinson added that one parish contacted her stating their governing authority was considering enacting the holiday during the same time as the state holiday period. The legislation did not include a local option so the Commission will reach out to them for more information. Rick Mekdessie also added that he was contacted by a taxpayer whether the lookup tool would include the rate change for the holiday. The code for the holiday will be 5088.

F. Discussion of Potential CEA with BTA (Judge Cade Cole)

- Judge Cade Cole discussed the potential to obtain an e-file system for the Board of Tax Appeals through a Cooperative Endeavor Agreement with the Commission and Dept. of Revenue as a funding mechanism provided for in LA R.S. 47:304(E)(6). The proposal outlined benefits for both the state, locals and Commission. During discussion, Ms. Allen inquired about the contract terms and costs. Ms. Krennerich stated that the Department fronted the costs of the Commission’s startup and system and the Commission has an outstanding balance with the LDR. She noted, the proposal states that LDR would also front the costs for this system project expanding the liability with LDR, and asked what would be the budget process of the LDR include to compensate for this project. Judge Cole responded that it’s within LDR’s budget authority, but Secretary Robinson added that LDR has not had any discussions with the budget office regarding this expenditure as of yet. Secretary Robinson also expressed her appreciation to Judge Cole for attempting to establish and fund a software system for the BTA, and while the Commission has the ability to decide on the CEA, each local collector should have a say in how the collections of the Commission are spent. Mr. McManus agreed. Chairman Allen added

that it is likely premature to enter into a CEA at this time due to the Commission just beginning to collect and see a surplus of funds. Mr. LaGrange added that the surplus would likely first be utilized for professional services contracts as well as hiring of more employees in the near future. Mr. LaGrange also noted that the LATA will hold its annual meeting virtually in December and offered Judge Cole the opportunity to present his proposal at the board meeting for consideration there. Judge Cole accepted.

V. Action Items:

A. Authorize Executive Director to enter into contracts for legal, financial and payroll services

- This discussion item was deferred until the next meeting of the Commission.

B. Approve Remote Sellers Bulletin for issuance (per approval of members)

- After further discussion amongst members, it was decided that a footnote would be added regarding locals opting to implement the holiday in a parish. A motion was made by Mr. LaGrange to approve the information bulletin with changes as discussed, and seconded by Ms. Granier. With all members in agreement and no public comment, the motion was passed.

C. Approve CEA language with BTA (per approval of members)

- This discussion item was deferred at this time.

VI. Report from Executive Director

A. Distribution Report

- Ms. Roberie updated members on collections to date. The Commission has collected \$22,375,834.89 for the month of September with 1080 returns filed. \$22,152,076.23 will be distributed to the state and local collectors.
- Total collections to date are \$63,282,282.39 with \$62,649,459.35 being distributed to the state and local collectors.

B. Budget

- Ms. Roberie gave an update to members of current budget numbers and payments to be made. Ms. Roberie reported that to date, the Commission currently owes LDR approximately \$470K of which consists of the system buildout, staff salaries, and other support from LDR. This does not include future costs.
- Mr. LaGrange requested a paper copy of the collections and distributions be presented at future meetings for members to follow the collections and trends to date. Ms. Roberie will provide the requested information.

VII. Other Business

- Next meeting of the Commission will be held on December 17th due to the LATA Annual Meeting.
- Chairman Allen announced that future meetings could likely be held via Zoom per updated legislation passed to allow for virtual meetings due to the COVID-19 emergency.

VIII. Public Comment

- None

IX. Adjournment

- With a motion by Ms. Granier and second by Mr. LaGrange, Chairman Allen declared the meeting adjourned at approximately 12:06 PM.