

# **Louisiana Tax Institute**

## **Meeting Minutes**

November 13, 2017

### **I. Call to Order**

The meeting of the Louisiana Tax Institute was called to order at approximately 1:00 p.m. on November 13, 2017 in the Mardi Gras Room located on the ground floor of the LaSalle Building, 617 North Third Street, Baton Rouge, LA 70802.

### **II. Roll Call**

A) The following Members were confirmed as present:

- Kimberly L. Robinson
- Cade Cole
- Jaye Calhoun
- Dr. Steven M. Sheffrin
- Philip Hackney
- Dr. James R. Alm
- Brandon DeCuir
- Jason DeCuir
- William Potter

B) Approval of Meeting Minutes from October 30, 2017 meeting: A motion was made and seconded to approve the minutes as distributed. The minutes were approved as distributed without opposition.

### **III. HCR 11 [2016 LA H.C.R. 11 (NS)]**

- HCR 11 was reviewed to determine the following responsibilities and deadlines for the Louisiana Tax Institute:
  - A report on combined reporting due January 2019
  - A report on the restructure, elimination or phase out of corporate franchise tax due January 2019
  - Sales Tax recodification – no specified due date
  - Sales Tax Comprehensive restructure – no specified due date.
- The members agreed that the combined reporting report should list the pros and cons of combined reporting, including pro forma reporting.
- There was a discussion on establishing a time table for preparation of the combined reporting report.
- It was decided that the first step would be for Shone Pierre with the Department of Revenue to prepare bullet points of the pros and cons of combined reporting from the testimony

presented to the Tax Institute. Shone will present these bullet points at the January 2018 meeting.

- Shone Pierre also stated that she has been working on a logo and reporting format for the Tax Institute to use in presenting its work.
- There was a general consensus that the group would like to get a draft of the combined reporting report out by summer to allow time for public feedback before final presentation of the report.
- There was also discussion of other topics that the Tax Institute may also want to study and make recommendations on, including sales tax uniformity, centralized collection, inventory tax credit and local control over revenue. It was decided that each member would email Marisha Patterson with a list of topics they would like considered and she would present the list for discussion at the December meeting.

#### **IV. Proposed Deadline for Sales Tax Recodification Project**

- The current version of the recodification was contained in member binders. An updated version of the recodification will be presented at the January 2018 meeting.
- Dr. Sheffrin indicated that it would be helpful if the next version included annotations.
- Jason DeCuir indicated that he would like the recodification to be presented in legislative format.

#### **V. Combined Reporting Discussion**

- The members agreed that the report will consist of the pros and cons of combined reporting as reflected from the testimony presented to the Tax Institute, including the pros and cons of pro forma reporting.
- Shone Pierre will prepare a draft of bullet points of the pros and cons of combined reporting to be presented at the January 2018 meeting.

#### **VI. Current Status of Corporate Franchise Taxes in Louisiana**

- Kevin Richard with the Department of Revenue gave a presentation on the current status and collection of franchise taxes in Louisiana.
- Kevin Richard was requested to provide a follow up presentation on corporate franchise tax credits and corresponding values from 2011 – 2015.
- The December meeting will include a discussion on proposals for replacement income if franchise tax is eliminated and a review of credits and the estimated effect of making them non-refundable.

#### **VII. Other Business**

##### **A) Upcoming Meeting Dates:**

- Marisha will poll members to determine if December 11<sup>th</sup> or 13<sup>th</sup> will be a better meeting date.

## **V. Adjournment**

The meeting was adjourned at approximately 3:20 p.m.