LOUISIANA DEPARTMENT of REVENUE

Direct Marketer Sales Tax Return
Electronic Filing Instructions

FOR FILING PERIODS BEGINNING OCTOBER 2021

GENERAL INSTRUCTIONS

1. Form R-1031E, *Direct Marketer Sales Tax Return*, may only be used by a seller who meets the requirements of LA R.S. 47:302(K)(5).

2. Amounts on the return should be rounded to the nearest dollar.

3. Returns are due on or before the 20th day of the month following the month in which the sale was made. If the return is filed late or tax is paid late, a delinquent penalty is due at the rate of 5% of the tax due for each month or fraction of a month, up to a maximum of 25% of the tax due. Refer to Form R-1111, *Interest Rate Schedule Collected on Unpaid Taxes*, for monthly interest rates that apply. Form R-1111 is available on the Department's website at *www.revenue.louisiana.gov*.

4. U.S. NAICS Code: The Louisiana Department of Revenue ("LDR") is assigning business codes to sales tax accounts based upon the North American Industry Classification System (NAICS). If your sales tax account currently does not have a NAICS code assigned to it, please include this information on your return. NAICS codes may be found on your federal corporate income tax return or on the U.S. Census Bureau's webpage at *www.census.gov.*

5. If this return was prepared by a paid preparer, he or she must complete the paid preparer information. That person must enter their name and identification number when preparing and filing the return. If the paid preparer has a Preparer Tax Identification Number (PTIN), the PTIN must be provided; otherwise, the Federal Employer Identification Number (FEIN) or LDR account number must be provided. If the paid preparer represents a firm, the firm's FEIN must also be provided. The failure of a paid preparer to sign or provide an identification number will result in the assessment of the unidentified preparer penalty on the preparer. The penalty of $50 is for each occurrence of failing to sign or failing to provide an identification number.

ELECTRONIC DIRECT MARKETER SALES TAX RETURN - SPECIFIC INSTRUCTIONS

Line 1 - Enter gross sales of tangible personal property sold and shipped to customers in Louisiana.

Line 2 - Enter the gross receipts billed for the lease or rental of tangible personal property shipped to customers in Louisiana as well as the gross receipts from taxable services defined in LA R.S. 47:301(14). Taxable services include printing and related services; laundry, cleaning, pressing and dyeing services of textiles; and taxable telecommunication services, such as charges for intrastate and interstate telephone calls, cellular telephone calls, and pager services. Additional information regarding the taxation of these transactions can be found at *www.revenue.louisiana.gov.*

Line 3 - Total: Add Lines 1 and 2.

Line 4 - Allowable Deductions: If you are reporting allowable deductions, be sure to complete Schedule A, Lines 15 through 24. Enter the amount of allowable deductions from Line 24.

Line 5 - Taxable Amount: Subtract Line 4 from Line 3 and enter on Line 5.

Line 6 - Amount Taxable: Multiply Line 5 by 8.45%.

Line 7 - Excess Tax Collected: The sales tax is rounded to the nearest dollar. In cases when the sum of all the individual sales taxes collected exceeds 8.45% of the taxable amount reported on Line 5, the excess amount must be reported on this line.

Line 8 - Total: Add Lines 6 and 7.

Line 9 - To compute vendor's compensation, multiply the amount shown on Line 8 by 0.994%. Beginning August 1, 2020, Act 27 of the 2020 First Extraordinary Session of the Louisiana Legislature provides the State of Louisiana vendor's compensation rate is 1.05% of the tax amount due. However, LA R.S. 47:306(A)(3)(a) imposes two restrictions on the State of Louisiana's vendor's compensation. Under one restriction, the sales tax imposed pursuant to LA R.S. 47:321.1 is not eligible for vendor's compensation. As a result, a mathematical calculation is performed to determine the correct vendor's compensation rate based on the state sales tax rate reported on this return. The second restriction limits the State of Louisiana's vendor's compensation to $1,500 per Louisiana dealer per calendar month. See Revenue Information Bulletin No. 20-015.

ELECTRONIC DIRECT MARKETER SALES TAX RETURN - SPECIFIC INSTRUCTIONS *(continued)*

Vendor's compensation as provided by LA R.S. 47:306(A)(3)(a) is allowed only when the dealer remits all sales tax as shown due on the return. Partial vendor's compensation for a partial payment of sales tax due is not allowed.

Line 10 - Net Tax Due: Subtract Line 9 from Line 8.

Line 10A - Taxpayers may donate to The Louisiana Military Family Assistance Fund by entering the amount of the donation on Lines 25A and 25B and entering the total of those donations on Lines 25 and 10A. Donations can be made by: 1) contributing all or any portion of the vendor's compensation listed on Line 9; or 2) paying an amount in addition to the net tax due on Line 10 of this return. The amount entered on Line 10A must equal Line 25.

Line 11 - Penalty: A return becomes delinquent on the day after the due date as discussed in the General Instructions above. If the return is filed late, a delinquent penalty of 5 percent for each 30 days or fraction thereof of delinquency, not to exceed 25 percent of the net tax due on Line 10 is due.

Line 12 - Interest: If the remittance is made after the due date, multiply Line 8 by the applicable interest rate. Refer to Form R-1111 for monthly interest rates that apply. Form R-1111 is available on the Department's website at *www.revenue.louisiana.gov.*

Line 13 - Total Due: Enter the sum of Line 10, 10A, 11 and 12. You can pay your Louisiana Sales Tax at *www.revenue.louisiana.gov/latap.* You can also pay by credit card over the internet or by phone. Visit *www.acipayonline.com* or call 1-800-2PAYTAX (1-800-272-9829).

Line 14 - Total number of transactions with Louisiana customers in the reporting period: Enter the number of transactions billed to Louisiana customers in the current reporting period.

INSTRUCTIONS FOR ALLOWABLE DEDUCTIONS- SCHEDULE A

NOTE – *Instructions for Lines 15 through 23. Enter the sales amounts for the reporting period in the spaces provided in the total sales column. Multiply these sales amounts by the percent factor appearing in the middle column and enter the result in the Sales Deduction space appearing in the right-hand column. The sales amount must also be included on Line 1 or 2 for allowable deductions claimed on Schedule A.*

Line 15 - Enter sales of prepaid calling services and prepaid wireless calling services as defined by LA R.S. 47:301(16)(d).

Line 16 - Enter the sale, importation, lease or rental of manufacturing machinery and equipment by a qualifying manufacturer, as defined by LA R.S. 47:301(3)(i). In order for the transaction to be exempted, Form R-1071, *Manufacturer's Exemption Certificate*, is required from the purchaser.

Line 17 - Enter sales to agencies, branches or instrumentalities of the U.S. Government, State of Louisiana, or any political subdivision of Louisiana. U.S. governmental agencies location in Louisiana must supply documentation of its exempt status to the vendor. In order for transactions with the State of Louisiana and its political subdivision to be exempted, Form R-1056, *Certificate of Sales/Use Tax Exemption/Exclusion of Purchases by a Political Subdivision of the State of Louisiana, or* Form R-1356L, *Sales Tax Exemption for Purchases by the Federal Government,* must be supplied to the vendor.

Line 18 - Enter sales of prescription drugs. All drugs must be prescribed by a physician and used exclusively for the treatment of diseases.

Line 19 - Enter sales of food items for further preparation and consumption in the home. Qualifying items include, but are not limited to, meats, pastries, cookies, candy, flour, spices, coffee, rice, and pasta. Gift packages of food items that include non-food items of tangible personal property are not eligible for the deduction. These items include re-usable baskets and similar containers, serving trays, cups and souvenirs.

Line 20 - Enter sales to registered Louisiana dealers who properly document their exempt status with a completed Form R-1064, *Louisiana Resale Certificate.*

Line 21 - Enter cash discounts, sales returns and allowances that have not already been deducted from the sales reported on Line 1 or leases, rentals or services reported on Line 2.

Line 22 - Enter sales of tangible personal property sold to lease/rental dealers for lease or rental in arm's length transactions. Lease/rental dealers must claim an exemption using Form R-1344, *Purchases of Tangible Personal Property for Rent or Lease Sales Tax Exemption Certificate*, and must be registered to collect and remit sales taxes on all rental receipts.

Line 23 - Enter the total from Schedule A-1, Line 21. See Schedule A-1 instructions on page 3.

INSTRUCTIONS FOR ALLOWABLE DEDUCTIONS - SCHEDULE A *(continued)*

Line 24 - Add Lines 15 through 23 (Sales Deduction Column) and enter here and on Line 4. **No item can be included as a deduction unless the item has been included on either Line 1 or 2.**

Line 25A - Enter the amount of vendor's compensation that is to be donated to The Louisiana Military Family Assistance Fund. Line 25A cannot exceed Line 9.

Line 25B - Enter any additional payment that is to be donated to The Louisiana Military Family Assistance Fund.

Line 25 - Total - Add Lines 25A and 25B; enter the total here and on Line 10A.

INSTRUCTIONS FOR SCHEDULE A-1

1. In order to be exempted, the transaction must be included on Line 1 or 2.
2. Select the sales tax exemption code from the drop down box. Additional explanations of the sales tax exemptions can be found in the Sales Tax Exemption Table which is located at the end of these instructions.
3. Enter the total amount of all transactions for the selected exemption.
4. Select as many sales tax exemption codes as necessary to document exempt transactions.
5. Enter the total of Schedule A-1 on Line 23 of Schedule A.

Questions about the completion of this return should be sent to Sales.Inquiries@La.gov.

SCHEDULE A-1
(Exempt Transactions)

Louisiana Revised Statute	Description	Exemption Certificate Required	Exemption Code
	Agricultural, Forestry and Fishing		
47:301(16)(f)	Pharmaceuticals administered to livestock used for agricultural purchases. Must have approved Form R-1091, *Commercial Farmer Certification.*	R-1007	1087
47:301(10)(e) 47:305(A)(3) 47:305(A)(4)(b)(i) 47:305(A)(4)(b)(iii)	Sales of raw agricultural commodities to be utilized in producing crops or animals for market. Includes the sales of feed and feed additives sold for agricultural or commercial purposes. Commercial purposes include purchasing, producing, or maintaining of animals including breeding stock, for resale. The sale of feed for animals held for personal use are not exempt and are subject to state sales tax. See Code 5004 for sales of feed and feed additives for business use. Must have approved Form R-1091, *Commercial Farmer Certification.*	R-1007	5003
47:305(A)(4)(b)(ii)	Sales of feed and feed additives for animals used for business purposes.	R-1097	5004
47:305(A)(5)(a)	Sales of materials, supplies, equipment, fuel and related items other than vessels used in the production and harvesting of crawfish.	R-1319	5005
47:305(A)(5)(b)	Sales of bait and feed used in the production and harvesting of crawfish.	R-1319	5006
47:305(A)(6)	Sales of materials, supplies, equipment, fuel, bait, and related items other than vessels used in the production and harvesting of catfish.	R-1387	5007
47:305(D)(1)(f) 47:305.3	Sales of seeds, fertilizers and containers to farmers. Must have approved Form R-1091, *Commercial Farmer Certification.*	R-1007	5016
47:305.8	Sales of pesticides to be used for agricultural purposes.	R-1007	5040
47:305.20	Purchases of fishing boats, supplies, fuel, lubricants, and repairs for the boats by licensed commercial fishermen.	R-1335	5057
47:301(13)(c) 47:305.25(A)(1-2) 47:305.25(A)(3)	Sales of new farm equipment used in poultry production. Sales of certain rubber-tired farm tractors, cane harvesters, cane loaders, cotton pickers, combines, hay balers, and attachments and sprayers. Includes clippers, cultivators, discs, plows, spreaders, irrigation wells, drives, motors, and equipment. Must have approved Form R-1091, *Commercial Farmer Certification.*	R-1060	5059
47:305.25(A)(4) 47:305.25(A)(5)	Sales of other farm implements and equipment used for agricultural purposes in the production of food and fiber and on the farm facilities used to dry or store grain or any materials used to construct such on the farm facilities. Must have approved Form R-1091, *Commercial Farmer Certification.*	R-1060	5061
47:305.25(A)(6) 47:305.63	Sales of polyroll tubing for commercial farm irrigation. Must have approved Form R-1091, *Commercial Farmer Certification.*	R-1007 R-1060	5095
47:305.24	Purchases of feed, seed, and fertilizer by student farmers as provided in L.A. R.S. 47:305.24.	R-1098	5107
	General		
47:301(7)(f) 47:301(10)(q)(ii) 47:301(18)(e)(ii)	Sales, leases, and rentals of educational materials and equipment used for classroom instruction to approved parochial and private and elementary and secondary schools.	R-1372	1018
47:301(7)(g) 47:301(10)(r) 47:301(18)(f)	Sales, leases or rentals of tangible personal property by Boys State of Louisiana, Inc., and Girls State of Louisiana, Inc.	R-1059	1019
47:301(8)(b)	Sales made to members of the Louisiana Assoc. of Independent Colleges and Universities.	R-1395	1024
47:301(10)(c)(i)(aa) 47:301(18)(d)(i)	Sales of materials for further processing into articles of tangible personal property for sale at retail.	R-1064	1032
47:301(10)(j) 47:301(18)(a)(i)	Purchases of tangible personal property by food banks. Includes donations of food by retail dealers.	LDR letter	1041
47:301(10)(o)	Purchases of fire-fighting equipment by volunteer fire departments or public fire departments.	R-1359	1046
47:301(10)(aa)(i)	Purchase of toys to donate to children by nonprofit organizations exempt from federal taxation under IRC 501(c)(3).	R-1313	1055
47:301(10)(cc)	Purchase of textbooks and course-related software by certain private postsecondary academic institutions.	R-1372	1057
47:301(13)(a) 47:305(C)	Market value of a like item traded in on a sale of tangible personal property.	No certificate required	1063
47:301(3)(a) 47:301(13)(a)	Separately stated finance charges and service charges.	No certificate required	1064
47:301(16)(b)(iii)	Proprietary geophysical survey information or geophysical data analysis furnished under a restricted use agreement.	No certificate required	1084

SCHEDULE A-1*...Continued*
(Exempt Transactions)

Louisiana Revised Statute	Description	Exemption Certificate Required	Exemption Code
	General *(continued)*		
47:301(14)(b)(i)(aa)	Admission charges to athletic events of colleges and universities, if qualifying under LA R.S. 39:467 or LA R.S. 39:468.	No certificate required	1073
47:301(14)(b)(iv)	Admissions to camp and retreat facilities owned and operated by nonprofit organizations.	LDR letter	1076
47:301(16)(b)(i)	Stocks, bonds, notes or other obligations and securities. Nontaxable intangible property.	No certificate required	1082
47:301(16)(b)(ii)	Qualifying sales of gold, silver, or numismatic coins, or platinum, gold or silver bullion.	No certificate required	1083
47:301(16)(e)	Certain work products created by professionals licensed under Title 37 in the normal course of their professional business. Work products that are duplicated without modification for sale to multiple purchasers and sales of software are not included.	No certificate required	1086
47:301(16)(g)	Used factory built homes and 54% of price of new factory built homes.	No certificate required	1088
47:301(10)(q)(ii) 47:301(18)(a)(i)	Sale or donation to a Louisiana school that meets the definition in LA R.S. 17:236 or to a public or recognized independent institution of higher education of property originally purchased for resale.	R-1372	1099
47:301(14)	Separately stated transportation charges from the place of sale to the buyer's selected destination.	No certificate required	1114
47:303(B)	Sales of motor vehicles subject to title and registration at OMV.	No certificate required	1115
47:301(14)	Fees and licenses not subject to Louisiana General Sales Tax.	No certificate required	1116
47:301(14)	Services not subject to Louisiana General Sales Tax (includes lottery sales, postage sales, consulting fees, etc.).	No certificate required	1117
47:340.1	Sales made through a marketplace and the sales tax was collected and remitted by a marketplace facilitator. Gross sales made through marketplaces must be included on Line 1 of the sales tax return.	No certificate required	1122
47:301(7)(m)	Lease or rental of tangible personal property for the purpose of re-lease or re-rental to short-term equipment rental dealers with a NAICS of 532412 or 532310.	R-85005	1123
47:305(D)(1)(u)	Adaptive driving equipment and motor vehicle modifications prescribed by a physician, licensed chiropractor, or driver rehabilitation specialist licensed by the state.	Prescription required	5029
47:305.15	Purchases by certain organizations that provide training for blind persons. Purchases made by blind vendors.	R-1355	5052
47:305.38	Purchases by sheltered workshops for persons with intellectual disabilities licensed by the La. Dept. of Health.	R-1327	5068
47:305.46	Purchases made with U.S. Dept. of Agriculture food stamp coupons and purchases made under the Women, Infants, and Children's Program.	No certificate required	5076
47:305.59(A)	Sales or purchases of construction materials by Habitat for Humanity affiliates, Fuller Center for Housing covenant partners and the Make It Right Foundation located in Louisiana when the materials are for use in constructing new residences in Louisiana.	R-1324	5092
47:305.66	Sales to parish councils on aging.	R-1056	5098
47:305.59(B)	Sales of construction materials to certain animal shelters between October 1, 2021 and June 30, 2025, when construction begins between July 1, 2021, and June 30, 2025.	R-85001	5109
47:302(D)	Advertising services rendered by advertising businesses including but not limited to advertising agencies, design firms, and print and broadcast media. Does not include advertising items that are mass-produced.	No certificate required	7009
47:303.1	Sales to direct pay permit holders (DP numbers) or for hire carriers (FH numbers).	R-1013 R-1351	7011
	Industry and Manufacturing		
47:301(3)(k)	Sales and purchases of tangible personal property consumed in the manufacturing process (fuses, belts, felts, wires, conveyor belts, lubricants and motor oils) by logging, wood product and paper manufacturers. Includes sales and purchases of repairs and maintenance of manufacturing machinery and equipment.	R-1391	1011

SCHEDULE A-1 *...Continued*
(Exempt Transactions)

Louisiana Revised Statute	Description	Exemption Certificate Required	Exemption Code
	Industry and Manufacturing *(continued)*		
47:301(14)(g)(iii) 47:305(I)	Sales of labor, materials, services and supplies used for the repair, renovation, or conversion of any drilling rig or machinery and equipment which become component parts of any drilling rig used exclusively for the exploration or development of minerals in federal offshore area.	R-1096	1078
47:301(16)(o)	Purchases of machinery and equipment by certain utilities with a NAICS sector code 22111, electric power generation.	R-1071	1096
47:305.1	Sales of certain materials and services to vessels operating in foreign and interstate coastwise commerce.	R-1010	5035
47:305.10	Property purchased for exclusive use outside the state (offshore).	R-1023 R-1096	5042
12:425	Sales to nonprofit electrical co-ops.	R-1054	7003
	Medical		
47:301(7)(e) 47:301(10)(p) 47:301(18)(c)	Purchases and leases of tangible personal property and sales of services to hospitals that provide free care to all patients. Includes supplies and equipment which are reasonably necessary for the operation of a free hospital.	R-1056	1017
47:301(10)(d)	Sales of any human tissue transplants, including human organs, bone, skin, cornea, blood, or blood products.	No certificate required	1036
47:301(16)(j)	Materials used directly in the collection of blood.	No certificate required	1091
47:301(16)(k)	Apheresis kits and leuko reduction filters.	No certificate required	1092
47:305(D)(1)(k)	Sales of orthotic devices, prosthetic devices, hearing aids, prescription eyeglasses, contact lenses, and wheelchairs prescribed by physicians, optometrists or licensed chiropractors used exclusively by patient for personal use.	Prescription required	5023
47:305(D)(1)(l)	Sales of ostomy, colostomy, ileostomy devices and equipment.	Prescription required	5024
47:305(D)(1)(s)	Sales of medical devices that are used by a patient in the treatment of any disease under the supervision of a physician or administered by a physician, nurse, or other health care professional.	Prescription required	5027
47:305(D)(1)(t)	Purchase of restorative materials used by dentists.	No certificate required	5028
47:305(G)	Purchases, of kidney dialysis machines, parts, materials, and supplies for home use under a physician's prescription.	Prescription required	5033
47:305.64	Purchases of certain capital equipment and computer software for qualifying radiation therapy treatment centers including the Biomedical Research Foundation, Mary Byrd Perkins Cancer Center, Oncologics, Inc. and Willis-Knighton Health System.	LDR letter	5096
	Transportation		
47:305.45 47:305.50(E)(1)	Sales of rail rolling stock.	R-1388	5083
47:305.50(E)(2)	Sales of movable property used in the fabrication, modification or repair of rail rolling stock.	R-1388	5084
47:305.50(F)	Sales of "green" railroad ties to railroads for use in other states.	R-1388	5085