

Policy and Procedure Memorandum

PPM No. 40.2

Subject: LULST Board Procedures for Responding to State-Proposed Regulations

Effective Date: November 30, 2018

This Policy and Procedure Memorandum supersedes any previously issued memoranda that conflict with these directives.

A. Purpose

This policy defines the procedures to be followed by the Board of Directors in responding to written requests from the Secretary of the Louisiana Department of Revenue for input regarding a proposed regulation that would apply to a common sales tax law.

B. Statutory or Regulatory Authority

R.S. 47:337.2(C)(4)(b)(i)(aa)(I) & (II)

C. Definitions

Board—the Louisiana Uniform Local Sales Tax Board and its duly authorized representatives.

Collector—the single collector for a parish as defined in Article VII, Section 3 of the Constitution of Louisiana and any of the collector's duly authorized assistants.

Department—the Louisiana Department of Revenue.

Executive Director—the Executive Director of the Louisiana Uniform Local Sales Tax Board.

Secretary—the secretary of the Louisiana Department of Revenue and the secretary's duly authorized representatives.

D. General Procedures

1. R.S. 47:337.2(C)(4)(b)(i)(aa)(I) specifies that the secretary of revenue shall make a written request to the Board for their input before giving any notice of an intended regulatory action or submits a proposed regulation concerning a common sales tax law to public review as required by R.S. 49:953(A) or (B). Under R.S. 2(C)(4)(b)(i)(aa)(II),

the secretary shall make the same request of the board when the secretary has received a request from a collector for the adoption or amendment of a regulation. The Board of Directors designates the Executive Director as the proper party to receive written requests for input from the Secretary. A copy of the advance draft of the proposed regulation is to be directed to the Executive Director for circulation. The Executive Director may designate another person to perform this task. However, the Executive Director shall be responsible for its completion.

2. The Executive Director shall deliver a copy of the department's proposed regulation to the Board and collectors in sufficient time for their study and comment prior to the response deadline specified by the department. Delivery by email is preferred. A copy of the *Tax Collector's Response Guide* should be sent to the collectors with the proposed rule.
3. Responses from the collectors should be submitted to the Executive Director as soon as possible but no later than 10 days after receipt of the proposed regulation. After reviewing responses from the collectors, the Executive Director shall prepare a report summarizing the collector's comments and suggestions and submit it, with the collectors' individual responses, to the Board for consideration.
4. The Board may adopt comments or suggestions from the collectors in selecting its response to the secretary. The board may respond to the secretary in one of five ways:
 - a. "The Louisiana Uniform Local Sales Tax Board has reviewed the Department of Revenue's Proposed Regulation LAC 61:I:(section) concerning ... (subject matter)...and the members unanimously agree that it fairly represents the intent of Legislature when it enacted Act No. ____ of the _____ Legislative Session."
 - b. "The Louisiana Uniform Local Sales Tax Board has reviewed the Department of Revenue's Proposed Regulation LAC 61:I:(section) concerning(subject matter)... and the members unanimously agree it fairly represents the intention of Legislature when it enacted Act ____ of the _____ Legislative Session. Although the Board has unanimously approved the ruling, we are submitting the following comments for review by the secretary."

(Insert Comments.)
 - c. "The Louisiana Uniform Local Sales Tax Board has reviewed the Department of Revenue's Proposed Regulation LAC 61:I:(section) concerning ...(subject matter)...and the majority of the members believe it fairly represents the intention of Legislature when it enacted Act ____ of the _____ Legislative Session. The dissenting comments are as follows:

(Insert Dissenting Comments.)
 - d. "The Louisiana Uniform Local Sales Tax Board has reviewed the Department of Revenue's Proposed Regulation LAC 61:I:(section) concerning ...(subject matter)...and the majority of the members agree it does not fairly represent the intention of Legislature when it enacted Act ____ of the _____ Legislative Session. The Board's objections are as follows:

(Insert Opposition Comments.)

- e. “The Louisiana Uniform Local Sales Tax Board has reviewed the Department of Revenue’s Proposed Regulation LAC 61:I:(section) concerning ...(subject matter)..., but it does not appear germane to local governments. Therefore the Louisiana Uniform Local Sales Tax Board has no comment on the Proposed Regulation.”
5. The Board shall, by motion, vote on the appropriate response at a general or special meeting and advise the Executive Director regarding the comments, if any, that shall be included in the board’s response to the secretary.
6. If the Board vote to request a meeting with the secretary, the following comment will be included in the board’s response:

Furthermore, as provided in R.S. 47:337.2(C)(4)(b)(i)(bb)(I), the Louisiana Uniform Local Sales Tax Board requests that the secretary convene a meeting within 15 days to receive the board’s input before issuing the Notice of Intent.”
7. The Executive Director will prepare a response in accordance with the board’s directives and submit it to the appropriate representative at the Louisiana Department of Revenue. A copy of the final response submitted to the secretary will be provided to the Board at its next regularly scheduled meeting.

The Board, in its sole discretion, may authorize exceptions to this policy by a unanimous vote of its members.

Revision History: Adopted by the Board of Directors, November 30, 2018 (new document).

Effective date: _____

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