

**Remote Sellers Information Bulletin No. 19-001
May 17, 2019¹**

**Remote Sales Tax Collection and
Varying Rates of Local Sales and Use Tax**

As provided by Remote Sellers Information Bulletin 18-002 and LA R.S. 47:302(W)(6), remote sellers may collect and remit sales and use tax at the combined 8.45% rate in accordance with LA R.S. 47:302(K). The purpose of this bulletin is to provide guidance to Louisiana taxpayers in local political jurisdictions with a local sales and use tax rate lower than the 4% additional tax levied by LA R.S. 47:302(K)(1) and (2).

Louisiana taxpayers in local political jurisdictions with a local sales and use tax rate less than the 4% may request a refund, once per calendar year, of the 4% paid to the remote seller by the Louisiana taxpayer. To claim the refund, the Louisiana taxpayer must pay use tax on the purchase to the local political subdivision at the actual sales and use tax rate.

If the remote seller collects and remits sales and use tax at the combined 8.45% rate, which includes the additional 4% levied pursuant to LA R.S. 47:302(K)(1) and (2), the Louisiana taxpayer may request a refund of the 4% portion provided each of the requirements of LA R.S. 47:302(W) are satisfied:

1. The Louisiana taxpayer purchased a taxable item from a remote seller and remitted the combined 8.45% rate to the remote seller.
2. In addition, the Louisiana taxpayer² filed a local sales and use tax return with the applicable parish sales and use tax collector or central collection commission. The Louisiana taxpayer remitted use tax on the same taxable item at the applicable local sales and use tax rate. The return and remittance must be made in accordance with applicable local statutes and ordinances.
3. The Louisiana taxpayer filed an annual use tax refund request with the Secretary of the Department of Revenue ("Department"). The refund request must be accompanied by a copy of all relevant local sales and use tax returns. The Department

¹ RSIB 19-001 supplemented on May 24, 2019, to clarify that both individuals and businesses may claim the refund authorized by LA R.S. 47:302(W). See Footnote 2.

² Louisiana taxpayers include individuals and businesses remitting the 8.45% tax to the remote seller. Individuals and businesses should consult with their local tax collector to report and remit the applicable local sales and use tax on their purchases.

will then issue a refund of 4% of the 8.45% originally paid to the remote seller by the Louisiana taxpayer.

If the Louisiana taxpayer's local political subdivision does not levy a local sales and use tax rate, the Louisiana taxpayer must submit an affidavit affirming that the delivery and use of the taxable item will occur in a parish where no use tax is levied. This affidavit will be submitted in place of local sales and use tax returns.

Example: Taxpayer is a business operating in a parish where the local sales and use tax rate is 3.5 percent. Taxpayer has purchased tangible personal property from a remote seller in California. The remote seller collected 8.45% sales tax on Taxpayer's purchase. Taxpayer may file a sales and use tax return to report and remit the use tax of 3.5% to the parish sales and use tax collector on the same tangible personal property. Taxpayer may then file an annual use tax refund request with the Department requesting a refund of the 4% paid to the remote seller and provide a copy of the sales and use tax return submitted to parish sales and use tax collector.

Taxpayers should consult the parish sales and use tax collector for the applicable sales and use tax rate.

Annual Use Tax Refund Request

For Louisiana taxpayers requesting a refund based on the previous section, the refund request may only be made once per calendar year. Refund requests for purchases made from January 1, 2018, to December 31, 2018, may be submitted on or after July 1, 2019. The refund form and affidavit, including instructions, will be made available by the Department prior to July 1, 2019.

Questions concerning this publication may be directed to LARemoteSellersCommission@la.gov.

Kimberly Lewis Robinson

Chairman

Louisiana Sales and Use Tax Commission for Remote Sellers