

**Legislative Update—2008  
Regular Session**

Act 456 – Direct payment numbers, reduces annual dollar amount of taxable purchases or leases required for Direct Payment Number (DP Number) to \$5 million, down from \$15 million. Effective 8-15-2008.

Act 463 – Manufactured homes in parishes impacted by hurricanes; effective 7/1/2008, retroactive to 9/1/2005. Prohibits the beginning or continuation of actions to collect taxes applicable to movables purported to be due or coming due on purchases in the period from Sept. 1, 2005 – Dec. 31, 2006 of manufactured homes used solely as residential housing in certain parishes, defined by population, if the basis for such action is the date on which the declaration of immovability is recorded in the conveyance or mortgage records.

Act 582 – Prescription drugs and pharmacist services. Effective 6/30/2008, provides that health insurance is responsible for payment of local taxes upon the sale of prescription drugs and pharmacist services according to the terms and conditions of the insured's agreement. All contracts issued after 1/1/2009 which include health insurance and pharmacist services must clearly define the responsibility of the provider.

Act 632 – Component parts of buildings. Effective 7/2/2008, amends definition of component parts of a building or other construction. Bill provided for things attached to a building that serve to complete it are its component parts. Things attached to a construction other than a building and that serve its principal use are its component

parts. Also retains the substantial damage test.

**Sales Tax Has a New  
Service Online**

Effective May 1, 2008, RAMware is now available as an additional service through which the Parish Sales Tax Return can be filed in addition to BaileyLink. If you are a bookkeeper or accounting firm, this additional source for filing returns should prove to be an attractive option if you currently file an electronic Louisiana State Tax Return through RAMware or Sales Tax Online. To register, go to [www.salestaxonline.com](http://www.salestaxonline.com) and follow the instructions.

**One-Stop  
E-Filing**

Local authorities have been working with the Louisiana Department of Revenue for several years in the development of online filing from a central website. This may be available to taxpayers as early as August 1 but certainly no later than October 1, 2008. Simply go to [www.parishe-file.com](http://www.parishe-file.com) and register to use the system. Calcasieu Parish is one of several test parishes for this brand new initiative. RAMware LLC, the developer of [salestaxonline](http://www.salestaxonline.com), is the architect behind this system, and it should work in a similar fashion. There is plenty of contact information on the website should you encounter any difficulties.

**Negligence Cost**

Dealers mistakenly neglect filing a return which is a basic requirement when registered to do business in the Parish. That negligence may result in costly penalties as outlined in the

Ordinance when dealers fail to make a return or make an incorrect return and the circumstances indicate willful negligence or intentional disregard of sales tax rules and regulations without the intent to defraud. The cost for being negligent would be in addition to any other penalties a specific penalty of five percent (5%) of the tax or deficiency found to be due or ten dollars (\$10.00) whichever is greater. Negligent penalty attaches to each delinquent period when imposed until paid and may be collected in the same manner as if it were a part of the tax due.

Another costly act of negligence is when a dealer fails, neglects or refuses to collect the tax either by himself or through his agents or employees. In such case, the dealer will be liable for paying the tax himself. Additionally, he may be fined not more than one hundred dollars (\$100.00) or imprisoned not more than three (3) months, or both, at the discretion of the court.

Again, dealers are required by the Ordinance to collect the tax when applicable and to file a return whether it's a "no sales" return or one with tax due in order to avoid the described negligent penalties. Further, dealers are asked to contact the Tax Office anytime communications representing delinquency are received in order to evade negligent consequences.

**Dollar Rounding**

Effective immediately, dealers can begin using dollar rounding. We are accepting returns rounded to the nearest dollar. If you have any questions regarding this issue, please call our office at 337-217-4280 ext. 3413.

**Dealers Must Report Excess Tax**

Periodically, we entertain calls from consumers who question the rate of tax being charged by dealers. And, after an examination of records, the department is able to confirm the collection of "Excess Tax" in some instances.

When dealers collect tax for any period in excess of the tax rate authorized by the Ordinance, the total tax collected must be paid to the Collector less the compensation allowed when reported timely. The excess tax should be reported on line 17 of the Parish Sales Tax Return.

A dealer who fails, neglects, or refuses to collect the tax as provided, either by himself or through authorized agents or employees, may face a fine of not more than one hundred dollars (\$100) or imprisonment of not more than three (3) months, or both in addition to the normal penalty of being liable for and paying the tax.

When the purchaser fails to pay the tax and the seller fails to collect the tax imposed by the Ordinance, the tax shall be payable by the purchaser directly to the Collector. At that point, it shall be the duty of the purchaser to file a return with the collector and pay the tax imposed by the Ordinance within (15) days after the sale is completed. Like the seller, the purchaser may face additional consequences in the form of a fine or imprisonment when he fails, neglects or refuses to file a return.

approved for use or whether a return is taken from the website. Placing lines, commas, checks or other markings in those fields will negate our scanning efforts. Taxpayers continue to register for online filing. We are now averaging over 700 online filers a month. Again, our website for forms, publications, and instructions for filing returns is [www.calcasieusalestax.org](http://www.calcasieusalestax.org). *Filing online is a 100% free service.* The only cost to taxpayers is the time it takes for registration.



**How to Contact Us**

Our main number is **(337) 217-4280** and fax number is **(337) 217-4281**. Extension for general customer assistance is 3413; for administration dial extension 3423; for delinquent returns dial 3406; and for audit information dial 3419.

**Who Owes The Tax?**

On occasions, auditors are asked who owes the tax, the buyer or seller. Well, a general answer is that both the buyer and seller. Both are defined as a dealer according to the Ordinance. Therefore, they both have an obligation of either paying the tax on the retail sale of tangible personal property or charging and collecting the tax on the retail sale of tangible personal property. Except for the tax due on the sale of a motor vehicle, the Ordinance states that the tax levied shall be collected by the seller.

**REMINDER**

Our website offers a totally scanner-friendly Sales and Use Tax Report. The website is easily accessed by going to [www.calcasieusalestax.org](http://www.calcasieusalestax.org). Once arriving at the site and after accessing the form, a bonus will be the ability to insert the applicable business name and address, account number, return period, year and filing frequency. The critical fields are designed and calibrated for precise entry. Don't forget! Always begin the return period in lower case (small letter not capitalized).

Dealers are also reminded not to use lines, punctuation marks or dates in or near fields for the account number or the return period and year regardless of whether a custom return has been prepared and



**Local Sales Tax Office Holidays**

Our offices will be closed on the following dates for the holidays mentioned:

- Labor Day.....Sept. 1, 2008
- Election Day.....Nov. 4, 2008
- Veterans Day.....Nov. 11, 2008
- Thanksgiving...Nov. 26-28, 2008
- Christmas/New Year's.....  
Dec. 22, 2008-Jan. 2, 2009

In addition, our regular office hours through May are 8:00 am to 4:30 pm. Summer hours in June and July will be 8:00 am to 4:00 pm. Our office is open during the lunch hour throughout the year.

**Free Training**

A class is being offered free of charge to all dealers in Calcasieu Parish. This class is held at our office at 2439 6<sup>th</sup> Street on the first Friday of each month. Class begins at 9:30 am and lasts about 1½ hours. Members of our audit staff are also on hand to answer specific questions concerning individual businesses and tax questions. Call 217-4280 ext. 3413 or come by our office to sign up in advance for the class.