

RESET is a targeted, nonpartisan effort led by the **Committee of 100 (C100)**, the **Council for A Better Louisiana (CABL)**, and the **Public Affairs Research Council (PAR)** focused on four state policy issues: education, state finance, criminal justice, and transportation infrastructure.

2021 REGULAR SESSION POLICY PRIORITY:

Sales Tax Administration & Exemptions

Centralized tax collection and audit that respects and protects local revenue streams and businesses and ensures the collection of tax from online and shipped sales are consistent with federal law and court rulings.

01

CENTRALIZE AND SIMPLIFY SALES TAX COLLECTIONS

Louisiana is one of the few states where local governments collect the sales tax, a system that places businesses at a disadvantage because of multiple audits, different rules, varied rates from place to place, and a lack of uniformity. A more centralized system – involving and protecting local governments – would enhance business compliance and possibly collections. Louisiana's current system is vulnerable to constitutional and court challenges.

02

REDUCE THE NUMBER OF SALES TAX EXEMPTIONS

Louisiana has about 200 exemptions to the sales tax, an extraordinary number that adds complexity and narrows the base. The state should permanently eliminate the 100 sales tax exemptions the Legislature has temporarily suspended and stop creating new ones. Exceptions to the sales tax tend to place upward pressure on rates.

03

ESTABLISH A MORE FAIR AND EFFICIENT AUDIT SYSTEM

Under the current sales tax enforcement system, businesses face an onerous situation that can bring multiple audits simultaneously from various jurisdictions. The system is punitive even when operating normally with companies in compliance.

04

ENSURE ONLINE SALES ARE TAXED FAIRLY

To meet constitutional standards and assure fairness, the state must ensure that local businesses and online vendors are given a streamlined and level playing field for tax collection, rates, remittance, regulation, and enforcement.