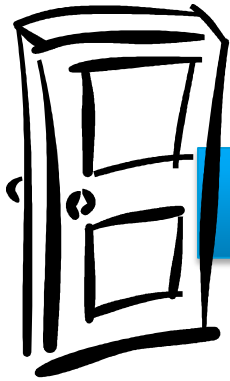


Sales Tax 101

“The Basics”

Presented by: The Calcasieu Parish School Board
Sales & Use Tax Department



PRESENTATION OUTLINE

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This Presentation is meant to serve as a general introduction to Sales & Use Tax and to provide you with helpful information to allow you to better operate your business here in Calcasieu Parish. If you have specific questions, feel free to give us a call at 337-217-4280 or visit our website at www.calcasieusalestax.org .

Sales & Use Tax Regulations can be found in the [LA Revised Statutes under Title 47](#). This presentation contains citations to the statutes so that you may research the various topics. (Ex. [R.S.47:301](#) Definitions.)



Who is a Dealer?

Persons engaged in any activity with the object of gain, benefit, or advantage, either direct or indirect are conducting “business” as the term is defined in [R.S. 47:301](#). The term shall not include persons who engage in **occasional or isolated** sales who do not hold themselves out as engaged in business.

Dealer includes persons who produce tangible personal property (TPP) for sale at retail, for use, or consumption or distribution, or for storage to be used or consumed in the taxing jurisdiction.

“Tangible Personal Property (TPP)” - means personal property which may be seen, weighed, measured, felt or touched, or is in any other manner perceptible to the senses. TPP is also referred to as movable property. (Ex. Vehicles, office supplies, tools, etc.)

“Real Property” – also referred to as Immovable Property. (Ex. Homes or business offices, Land, Buildings, etc.)

Dealers are required to register for tax purposes.

Dealers Required to Keep Records

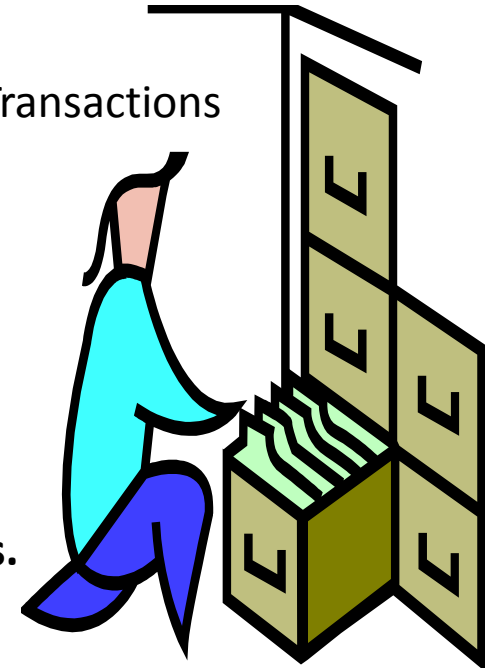


[R.S.47:309](#) establishes that every dealer that is required to make a report and pay any tax shall keep and preserve suitable records. (Also see [LA Administrative Code Title 61:1.4359](#))

Records to be kept include, but may not be limited to:

- Sales invoices
- Purchase orders & Invoices
- Cash Register Tapes
- Merchandise & Inventory records
- Resale & Exemption Certificates
- Working Papers used in preparing tax returns.
- All other records pertaining to any and all purchases and sales.
- Cancelled Checks
- Record of Credit Card Transactions
- Shipping Records
- Debit/Credit Memos

Bank statements alone are not considered to be suitable records.



Records are required to be maintained until they have prescribed: 3 years plus the current year or 10 years when the dealer collects sales tax and fails to remit them to a local taxing jurisdiction.

Transactions Subject to Tax

- **SALES** - Sales of tangible personal property at retail under [R.S. 47:301\(12\)](#) should be reported on Line 13 of the return.
- **USE** – Use tax is due on any purchase of tangible personal property (TPP) and services that are not for re-sale. [R.S. 47:301\(19\)](#) Use tax should be reported on Line 14 of the return. Due when proper tax rate has not been paid at the time of purchase.
- **LEASE/RENTAL** - The lease or rental within the taxing jurisdiction of any item or article of tangible personal property. [R.S. 47:301\(7\)](#)
- **SERVICES** - The sale of services as defined under [R.S. 47:301\(14\)](#) the furnishing of rooms by hotels, the sales of admissions to places of amusement and to athletic and recreational events and the furnishing of privileges of access to amusement, entertainment, athletic or recreational facilities; the furnishing of storage or parking privileges by auto hotels and parking lots; the furnishing of printing and overprinting; the furnishing of laundry, cleaning, pressing and dyeing services; the furnishing of cold storage space and the preparation of property for such storage; the repairs to tangible personal property provided in the taxing jurisdiction.



Returns

The collector will furnish or make available returns that are to be used by dealers in reporting their tax liabilities.

- ✓ Initial new account packets
- ✓ Periodic mail outs to account addresses of record
- ✓ Returns available through two websites:
www.calcasieusalestax.org or www.laota.com (see Calcasieu Parish)
- ✓ On-line filing available through two providers:
Parish E-File— www.parishe-file.revenue.louisiana.gov
eGov systems— www.salestaxonline.com





Online Filing and Common Filing Errors

As previously stated there are two options for online filing. They are Parishe-file and salestaxonline.

Parishe-file is the more popular of the two as it has some added benefits.

- You can file your Calcasieu Parish return as well as returns for other parishes and the state.
- You can file memos and amended returns.
- You can set a date for the return to be filed.
- You may review your filing history for any returns filed online.
- You can receive e-mail notifications if you do not file a return or if there are any form or tax rate changes.
- Taxpayer's guide and answers can be found in FAQ.

Common Reporting Errors Include:

- Failed Payment – If you have debit protection with your bank you will need to contact them to confirm that they have the correct originator ID. Our ID is 1726000235.
- Your account number and filing status must match our records when setting up the returns.



Processing Returns



Filing frequencies – monthly, quarterly, occasional



Returns capturing sales and use activity for the reporting period are completed and forwarded to the tax office through the mail, on-line filing or in person with a visit to the tax office

Scanner friendly returns speed the process.

Do not use a return that is for another account as this may result in improper credit and delinquent penalties.

CALCASIEU PARISH SALES AND USE TAX DEPT

P.O. DRAWER 2050 LAKE CHARLES, LA 70602-2050

NOTE: FOR ASSISTANCE CALL (337) 217-4280 FAX TO: (337) 217-4281

ACCOUNT #

MONTH OF:

COMPLETE ONLY THOSE COLUMNS IN WHICH TAXABLE ACTIVITY OCCURS

Round to nearest dollar

1. Gross sales of tangible personal property, leases rentals and services as reported to the State of Louisiana. (Before Taxes)	1.	\$
ALLOWABLE DEDUCTIONS		
2. Sales for resale or further processing. (Certificate on file).		
3. Cash discounts, sales returns and allowances.		
4. Sales delivered or shipped outside Calcasieu Parish.		
5. Sales of gasoline and motor fuels.		
6. Sales to tax exempt government agencies.		
7. Purchases paid with Food Stamps or WIC vouchers.		
OTHER DEDUCTIONS Authorized by law. (Explain briefly)		
8.		
9.		
10.		
11. Total allowable deductions (lines 2 thru 10)	11.	
12. Adjusted gross sales (Line 1 minus 11).	12.	

FREQUENCY: MONTHLY QUARTERLY ANNUAL

STATE TAX I.D. # _____
OWNER'S SSN _____

PLEASE INDICATE ANY CHANGES BELOW:

DATE OUT OF BUSINESS: _____

DATE BUSINESS SOLD: _____

NAME OF NEW OWNER: _____

COMMENTS: _____

NOTE: EFFECTIVE 7/1/2016 NEW EXECUTIVE ECONOMIC DEVELOPMENT DISTRICT HAS TAX RATE OF 7.75%.

This Return is due on the 1st day of the month following the period covered by this return and becomes delinquent if not transmitted on or before the 20th day.

I declare under the penalties for filing false reports that this return (including any accompanying schedules and statements) has been examined by me and to the best of my knowledge and belief is a true, correct, and complete return. If the return is prepared by a person other than the taxpayer, his declaration is based on all information relating to the matters required to be reported in the return of which he has any knowledge.

Authorized Signature _____ Date _____

COMPUTATION OF SALES & USE TAX		A Unincorporated Areas Except Ward 1	B City of Lake Charles	C City of Sulphur	D Town of Iowa	E City of DeQuincy	F Town of Vinton
ALL APPLICABLE LOCAL LEVIES INCLUDED →		5.75%	5.75%	5.75%	5.75%	5.75%	5.75%
13.	Adjusted gross sales in each jurisdiction (Total of columns must equal Line 12).						
14.	Purchases subject to use tax in each jurisdiction.						
15.	Total (Line 13 plus 14).						
16.	Tax due (Multiply Line 15 by % shown in column).						
16a.	Food/Drug exclusion is applicable in Cols A & H only (\$ x 1%). Effective October 1, 2005 Manufacturing Machinery & Equipment Exclusion applicable in Col B only (\$ x 2.25%) Certificate required for MM&E exclusion due to restrictions.						
16b.	Total (Line 16 minus 16a).						
17.	Excess tax collected.						
18.	Total (Line 16 plus 17). (Except in column A & H. Line 16b plus Line 17)						
19.	Vendor's compensation (1% of Line 18. Deductible only when payment is not delinquent)						
20.	Net tax due (Line 18 minus Line 19).						
21.	Penalty (5% of tax on the date the return becomes delinquent, with an additional 5% for each subsequent 30-day period not to exceed 25% in aggregate)						
22.	Interest (monthly rate of 1.25% or daily average per day from the first day of the month following the period covered by the return until paid).						
23.	Total Tax, penalty and interest due.						
24.	Tax debit or credit (Authorized memo must be attached).						
26.	Total amount due (Line 23 plus or minus Line 24)						

SEE INSTRUCTIONS FOR COMPUTATIONAL ASSISTANCE AND RESTRICTIONS ASSOCIATED WITH THESE SPECIAL EXCLUSIONS.

COMPUTATION OF SALES & USE TAX		G City of Westlake	H Ward 1 Only Moss Bluff, Gillis, Topsy	I Hope Economic Dev. District	J Opolam Economic Dev. District	K Executive Economic Dev. District	
ALL APPLICABLE LOCAL LEVIES INCLUDED →		5.75%	5.75%	7.75%	7.75%	7.75%	
13.	Adjusted gross sales in each jurisdiction (Total of columns must equal Line 12).						
14.	Purchases subject to use tax in each jurisdiction.						
15.	Total (Line 13 plus 14).						
16.	Tax due (Multiply Line 15 by % shown in column).						
16a.	Food/Drug exclusion is applicable in Cols A & H only (\$ x 1%). Effective October 1, 2005 Manufacturing Machinery & Equipment Exclusion applicable in Col B only (\$ x 2.25%) Certificate required for MM&E exclusion due to restrictions.						
16b.	Total (Line 16 minus 16a).						
17.	Excess tax collected.						
18.	Total (Line 16 plus 17). (Except in column A & H. Line 16b plus Line 17)						
19.	Vendor's compensation (1% of Line 18. Deductible only when payment is not delinquent)						
20.	Net tax due (Line 18 minus Line 19).						
21.	Penalty (5% of tax on the date the return becomes delinquent, with an additional 5% for each subsequent 30-day period not to exceed 25% in aggregate)						
22.	Interest (monthly rate of 1.25% or daily average per day from the first day of the month following the period covered by the return until paid).						
23.	Total Tax, penalty and interest due.						
24.	Tax debit or credit (Authorized memo must be attached).						
25.	Total amount due (Line 23 plus or minus Line 24).						
26.	Audited By	Total of Columns A & B & C & D & E & F & G & H & I & J & K				Total Remittance	
						\$	

Online filing available@ www.salestaxonline.com and <https://parishe-file.revenue.louisiana.gov>. Check it out today!

REMITTANCE PAYABLE TO CALCASIEU PARISH SCHOOL BOARD

INSTRUCTIONS FOR COMPLETING CALCASIEU PARISH'S CONSOLIDATED RETURN
WARNING: DO NOT USE ANY OTHER TAXPAYER'S RETURN AS THIS WILL RESULT IN IMPROPER CREDIT

- LINE 1 Gross sales as used herein means the total sales of tangible personal property, sales of taxable services and gross receipts from the leasing or rental of tangible personal property as reported to the state of Louisiana must be entered on this line.
- LINE 2 Sales of tangible personal property and/or services which are going to be resold by the purchaser or used for further processing of a product for resale are to be listed here. Dealers who purchase for either resale or further processing must provide vendor with applicable exemption certificate.
- LINE 3 Cash discounts allowed by the vendor and taken by the customer are allowed in the period claimed by the customer. Sales returns and allowances are allowed, if such returns are unused and future sales will be made at or near the same selling price. Repossession of property sold on an installment or credit basis are not allowed.
- LINE 4 Applicable only to sales of tangible personal property delivered outside the jurisdiction (does not apply to repaired property).
- LINE 5 Sales of gasoline and other motor fuels are entered here.
- LINE 6 Sales of tangible personal property, services or lease and rentals to the United States government and their agencies or the State of Louisiana and its political subdivision, inclusive of their agencies, boards commissions and instrumentalities are exempt from taxation provided that the dealer retains complete details of the transactions in his files.
- LINE 7 Sales to purchasers playing with Food Stamps or WIC (Women, Infants and Children) Vouchers are to be entered on this line.
- LINE 8,9 & 10 Any other deductions authorized by law must be verified by reference to the law and regulations and properly identified.
- LINE 11 & 12 Self explanatory
- LINE 13 Jurisdictional sales less allowable deductions applicable to that specific jurisdiction are entered on this line in each column in which taxable activity occurs. The sum of all columns must equal the sum reported on line 12.
- LINE 14 A use tax is due on the purchaser's acquisition price of tangible personal property used, consumed, distributed, or stored for use or consumption in the respective jurisdiction(s) on which tax has not been paid to the vendor. Use tax would apply where tangible personal property is imported into the parish and other applicable jurisdictions for use, consumption, distribution or storage on which a like or equal tax has not been paid.
- LINE 15 Self explanatory
- LINE 16 Tax equals the tax rate found under each jurisdiction printed on the return multiplied by the amount indicated on line 15.
- LINE 16a **FOOD AND DRUG EXEMPTION:** Applicable only to Columns A (1%) and H (1%). Sales of food for further preparation and consumption in the home, and sales of food to be consumed by the staff and students of educational institutions, the staff and patients of hospitals and mental institutions, and boarders of rooming houses and facilities not open to outsiders or the general public are exempt from Districts No. 1 tax. Likewise, the sales of drugs prescribed by physicians or dentists, orthotic and prosthetic devices and wheelchairs prescribed by physician for personal consumption and use. The sales or purchase of any ostomy, ileostomy, or colostomy device or any other appliance, including catheters or related items which are required as a result of any surgical procedure by which an artificial opening is created in the human body for the elimination of natural waste are exempt from Districts No. 1 tax.
MANUFACTURING MACHINERY/EQUIPMENT EXEMPTION: This special exclusion was enacted by the Lake Charles City Council with an effective date of September 1, 2005. It is limited in nature and does not apply to all geographical areas located within the municipal limits of Lake Charles. However, by its design, it was intended to follow the same dictates of ACT 1 enacted by the Louisiana Legislature in 2004. Therefore, all requirements necessary for qualifying for the state's exclusion would also be operative for purposes consistent with the Lake Charles exclusion. However, unlike the state, Lake Charles will grant its exclusion to 100% of the cost or sales price of all eligible purchases by dealers who have met the qualifications required by the statute. Various publications outlining qualifications and eligible purchases may be found on the Louisiana Department of Revenue's website. A special exemption certificate will be made available to qualified manufacturer's to signify their eligibility for the local exclusion. For computational purposes associated with the local return, the dealer will compile all qualified purchases of equipment, machinery, leases or rentals of eligible equipment and machinery, then multiply the sum by the City's tax rate of 2.25%. The product will then be entered on Line 16a of Column B (Lake Charles). In no instance shall the exclusion exceed 2.25% of the amount entered on line 14 (Purchases subject to use tax in the jurisdiction)
- LINE 16b Subtract line 16a from line 16 and enter the difference on this line. Applicable only to Columns A and H.
- LINE 17 In cases where the total amount of tax collected for each jurisdiction exceeds the tax levy, excess shall be recorded here and included in computations of the tax due.
- LINE 18 Self explanatory.
- LINE 19 The dealer is compensated for accounting for and remitting the tax levied by each respective ordinance at the rate so designated and is to be deducted from the total tax accounted for when transmitting said taxes to the tax office. Vendor's compensation is not allowed on returns transmitted after the 20th of the month in which due and payable.
- LINE 20 Self explanatory.
- LINE 21 A delinquent penalty of 5% becomes due on the 21st of the month in which the return is due and increases each 30 day period thereafter by 5% not to exceed 25% in aggregate. For ease in computation the 30 days are based upon the 21st thru the 20th of the following month.
- LINE 22 Interest at the rate of 1 1/4% per month or fraction thereof is due on all returns transmitted to this office after the 20th of the month in which due. Returns become delinquent on the 21st of the month due. Returns transmitted through the mail must bear an official postmark no later than the 20th, except in cases when the 20th falls on a weekend or national holiday. In such cases, the 1st business day following the weekend or holiday will be accepted.
- LINE 23 Self explanatory.
- LINE 24 Authorized debits/credits, as evidenced by an official memo, are to be recorded on this line. Debit or credit memo must accompany your return.
- LINE 25 Self explanatory.
- LINE 26 Combine line 25's totals for all jurisdictions and the sum of this combination will appear here. Make remittance in the amount shown on this line.



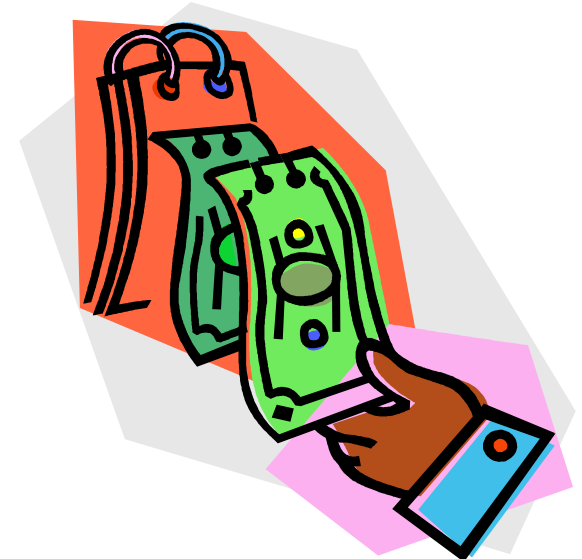
Delinquency

Reportable taxes are due the 1st of the month following the month in which the transaction occurs.

Reports not filed on or before the 20th shall be considered delinquent and as such subject to delinquent interest and penalty charges.

Interest charges are 1.25% for each month of delinquency (15% per annum) until paid.

Penalty charges on delinquent returns are 5% for each 30 days of delinquency up to a maximum of 25% until they are paid.



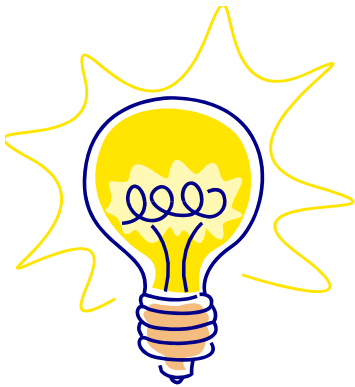
Compliance



Dealers, as defined by statute, are required to file returns that are supported by legible records which are subject to examination and inspection by office personnel. Audits are necessary to ensure accurate reporting and degree of compliance with the laws.

Businesses that fail to file the required or necessary return(s) will be notified with a proposed assessment. The proposed assessment may be converted to an assessment when a non-filing extends beyond the predetermined period. **Please do not ignore notices from this office. They are important to you and your business.**

Legal action in several forms (liens, levies, garnishments, judgments, and business closures) may be required to collect taxes in instances where deemed necessary. These types of actions will cause credit and legal issues that may follow you for ten or more years.



OTHER IMPORTANT FACTS AND RESPONSIBILITIES

- Advise the Sales Tax office in writing of ownership changes. This may affect your liability for future tax.
- Advise the Sales Tax office in writing of the following changes: business address, mailing address, e-mail addresses, business phone numbers and cell phone numbers.
- Dealers should report sales in the return period when the sale is made even though payment may be received in a later return period.
- Dealers are responsible for payment of sales tax even when the customer does not pay it.
- Dealers should file a return even if they have no sales to report.

PARISH OF CALCASIEU
SALES & USE TAX DEPARTMENT
P.O. Drawer 2050
Lake Charles, LA 70602-2050
337-437-1200

REQUEST FOR WAIVER OF PENALTIES FOR DELINQUENCY

Taxpayer _____

Account Number _____

Tax _____

Period(s) _____

Type of Penalty _____ Delinquent _____ Late Payment _____

I hereby assert that the delinquency in filing the subject return and/or paying the subject tax was not due to my intent to violate the law, but was due to the following reason(s):

SAMPLE

Pursuant to the provisions of Louisiana Revised Statute 47:337.71 and based on causes described in the preceding paragraph, request is hereby made that the penalties of \$ _____ incurred under the provision of R.S. 47:337.70 be waived.

Under the penalty of perjury, I declare all of the facts alleged above as a basis for reasonable cause, to the best of my knowledge and belief, including all accompanying documentation, are true, correct and complete.

Signature _____

Date _____

(OFFICIAL TITLE IF ACTING FOR A CORPORATION)

PENALTY WAIVERS

There are instances where penalties may be waived. These instances are evaluated on a case by case basis when a request is submitted.

Forms are available on the department's website at www.calcasieusalestax.org or by calling the office directly at 337-217-4280.

ADDITIONAL TAX DUE ON PURCHASES

When making a purchase, look closely at the tax rate charged on the invoice. If no tax, or a lesser tax rate was charged, then it is the taxpayers responsibility to accrue and remit the tax.

Example for lesser rates: You purchase material in TEXAS and pay a total rate of 8.25%. However, the material is to be used on a job where the total tax rate is 10.75%.

TO CALCULATE THE ADDITIONAL SALES TAX DUE, PLEASE NOTE

EXAMPLE: A company purchases \$1,000 worth of material.
8.25% tax (\$82.50) is charged on the invoice.
Material is to be used in jurisdiction where tax rate is 10.75%

<u>STEP 1</u>	Calculate total tax due at location of use	\$1,000.00	
		X 10.75%	
		<u>\$ 107.50</u>	
<u>STEP 2</u>	Determine the tax paid on the invoice	<u>\$ 82.50</u>	
<u>STEP 3</u>	Calculate Additional sales/use tax due (Difference in what was paid and what is due)	\$ 107.50 Tax due	
		<u>\$ 82.50</u> Tax paid	
		<u>\$ 25.00</u> Tax still owed	

STEP 4 DETERMINE THE ADJUSTED TAXABLE AMOUNT
TO REPORT ON LINE 14 OF THE TAX RETURN:

$\$25.00 / 5.75\% = \434.78
Additional tax due divided by the total local tax rate = Taxable Amount

STEP 5 RECORD THE ~~\$434.78~~ ON LINE 14 OF THE CALCASIEU PARISH
SALES AND USE TAX RETURN.

CHECK FIGURE: $\$434.78 \times 5.75\% = \25.00

For Additional Assistance...

Parish and State

- Calcasieu Parish Sales Tax Department
337-217-4280
www.calcasieusalestax.org
- Calcasieu Parish Police Jury
337-721-3500
www.cppj.net
- Calcasieu Parish Law Enforcement
337-491-3690
www.cpsso.com
- Louisiana Department of Revenue
225-219-7356 or 855-307-3893
www.rev.state.la.us



Cities and Towns

- City of Lake Charles
337-491-1201
www.cityoflakecharles.com
- City of Sulphur
337-527-4500
www.sulphur.org
- Town of Iowa
337-582-3535
www.iowala.org
- City of DeQuincy
337-786-8211
www.dequincy.org
- Town of Vinton
337-589-7453
www.cityofvinton.com
- City of Westlake
337-433-0691
www.cityofwestlake.com