

Tax Increase Unincorporated Areas

The local tax rate in unincorporated areas outside of Moss Bluff, Gills and Topsy (Ward 1) has increased to 1.5% effective January 1, 2011. Voters approved the increase last October.

It is important to note for those who perform taxable services that transactions initiated prior to the increase but completed or delivered after the increase shall be taxable at the new rate. Likewise, the sales of merchandise delivered after the effective date of the rate increase shall also be subject to the new rate. The only exception will be in the instance of *Real Property Construction Contracts (either Lump Sum or Unit Price Contracts)*. Since bids are generally required on real property contracts based on current sales tax rates, real property construction contracts signed and submitted within 90 days of the effective date for the rate increase will not be subject to the new higher sales tax rate.

For those who will be filing two returns each month due to one return being calculated on the older rate prior to the rate increase and one return based on the new rate, file the current (new rate) in a normal fashion with a payment, and file the irregular return as an amended return with a separate payment. It would also help to write "Contracts Signed Prior to Rate Change" on the return.

Remember to call our office for any assistance needed relative to return preparation. Also, our website www.calcasieusalestax.org has information and current forms available for use.

Website Updates



By February 1, 2011, our website will feature the current Calcasieu Parish Sales Tax return with the new rate in Column A of 5.25% which became effective January 1, 2011. However, Column B through Column H shall remain unchanged.

Request for Business Status

Among the forms listed on our website, is the "Request for Business Status." The Request for Business Status is an extremely valuable instrument for anyone interested in purchasing an ongoing business.



The value of this form is in the protection it provides to the prospective buyer of a business. This protection can be measured in the facts revealed, especially when the business being sold has liabilities attached due to liens or other forms of assessments. A person buying a business who has failed to secure a completed "Request for Business Status" by our office can inherit the liabilities outstanding with our office. We recommend contacting our office in this regard before buying an ongoing business. More details are also available on the department website.

Other interesting and valuable forms found on our website are the "Power of Attorney" and "Voluntary Disclosure." Again, these forms were designed with the protection of taxpayers in mind. There are other golden facts and forms available for taxpayer awareness, convenience, and protection. We continue to urge

dealers to stay abreast of the latest information by visiting the website periodically.

Arbitration Now a Remedy

Effective January 1, 2011, taxpayers may have the option of initiating a mandatory arbitration as an additional remedy when contesting an audit assessment. Act 1003 of 2010 added the arbitration provision which by design was intended to have a panel review submitted facts and hand down a decision in less time than is normally involved in litigation. Either party may still seek legal recourse if they are dissatisfied with the results. Interested parties may refer to R.S. 47:337.51.1 for a complete description of this new remedy.

Local Office Holidays

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

MLK Day.....Jan. 17, 2011
Mardi Gras.....March 7-8, 2011
Easter.....April 22-26, 2011

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.

Reminder



When our office is closed on weekends or holidays, dealers may use the green drop box located under the breezeway to drop off returns. The box is strategically located for taxpayer convenience, so take full advantage of its availability.



Why File Online?

Online filing has become the most convenient option for filing a sales and use tax return with the Calcasieu Parish School Board Tax Department since the beginning efforts. Why? Because this option offers a fast, easy and free alternative for filing a tax return with timely potential.

Admittedly, first time setup/registration may be a bit testy, but once that hurdle is past, online filing is a breeze. To execute a smooth setup procedure, have the applicable business account number on hand in addition to your assigned sales tax account number. We also find it beneficial to know the precise ABA/Routing numbers for the account being set up. Finally, avoid online failed payments by notifying your bank of the withdrawal process in order to have the debit block removed for the online transactions.

Imagine not having to buy stamps, consuming unnecessary gas, or even having to worry about timely mailing any longer. Today there are still several providers who can be used. Seemingly, the most popular provider is through "ParishE-file.com", probably due to the ability to file both the state and local tax returns from the same site. More directions are available on the website.

Fees for Entertainment or Amusement

A recent caller inquired about taxation of golf and tennis fees. Both are forms of services taxable under the provisions of R.S. 47:301(14)(b)(i) Sales of Services. While it is true that some sales of services are not taxable, especially in connection

to services to real property, these services fall under the taxable description of admissions to places of amusement or to athletic entertainment not in connection to schools, colleges and universities. Other taxable sales of services include membership dues, fees or consideration furnished for the privilege of accessing clubs, amusement, entertainment, athletic or recreational facilities.

Taxable services offered by establishments on admission charges are nightclub cover charges, concert fees, health clubs/spas fees, and fees to pro/semi-pro football, hockey or basketball games, just to cite a few. Of course, fees charged by golf courses or fees charged by tennis clubs for access to tennis courts are taxable.

Clearance Assistance

Due to limited access to the Louisiana Department of Revenue local offices, dealers may be delayed in obtaining the state forms in as timely a fashion as in the past. Our office has developed a "Local Clearance" which we will provide at no cost to the dealer; this can be attached to the state form when obtained to allow the dealer to apply for a permit. This is just another service we provide to our constituents.



Storage

In observance of property stored or stockpiled in a taxing jurisdiction, the question or challenge has almost always been intent (the real purpose behind the purchase or importation of the property).

Usually property stored in a jurisdiction is the product of an importation, it has a temporary resting intent, or it is the result

of a sale at retail. In the instance of importations, to escape the net of taxation the property imported by the purchaser must have written documentation such as invoices or purchase orders that clearly identify the intended first use of the property. When property is still in transit or has come to rest temporarily, the person causing the import must obtain a Temporary Storage Tax Exemption from the collector either prior to the purchase or at the time the property is imported to be shielded from taxation by the jurisdiction in which the property has come to rest while in transit. Lastly, where title and/or possession to tangible personal property has exchanged within a jurisdiction, a sale at retail has occurred and the same transactions are not eligible for the temporary storage exclusion but are taxable. Even if the property is earmarked when delivered, the key and determining factor would be delivery via the seller's vehicle or his agents. The highlight of this transaction is the physical exchange of possession by the seller to the purchaser in the jurisdiction of the purchaser. The sale is taxable. Likewise, a sale at retail occurs and is taxable when the purchaser picks up the property from a business in his/her jurisdiction via his/her own vehicle.

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.

