

Videographers and Photographers

Photographers and Videographers, for sales and use tax purposes, are encompassed in the ordinances by taxable sales of services. Some examples of taxable events performed by photographers are charges for photographing events like weddings and group gatherings. Other taxable services provided by photographers include photo-finishing which involves the development of negatives and the printing of finished pictures, photograph coloring and tinting, photostating or photocopying, and aerial photography. The sale of aerial photos for use as maps is also taxable. Photographers are also responsible for possible use tax liabilities and should pay strict attention to items consumed during the performance of any of the services mentioned above to successfully comply with the regulations that govern the profession for sales and use tax purposes.

Videographers hired to record weddings, seminars, graduations and other similar events should charge sales tax on the total cost billed to the customer. However, video production companies that hire actors, directs and ultimately produce a film for a company or individual is performing a non-taxable service and shall not charge sales tax for the service. If the video company decides to reproduce the film for sale to other companies or individuals, such sales shall constitute retail sale of tangible personal property for which sales tax must be charged and collected from the customers.

Misuse of Direct Pay Numbers

Direct pay numbers allow dealers who are burdened with volumes of purchase invoices and diverse sales tax rates to pay the tax directly to local taxing authorities. An obvious benefit to having a direct pay status is an improved tax accrual process. Recent audits have revealed some incidents where taxpayers have tried to extend their direct pay status to employees or even contractors which results in an additional tax deficiency for the dealer with the direct pay eligibility.

Dealers who have obtained a direct pay number are the only authorized users of the exemption and shall not extend to others such as contractors or employees the benefit of their direct pay number. Each billing for items purchased must be billed directly to the direct pay taxpayer by the vendor in order for the exemption to apply. In instances of tangible personal property purchases picked-up by the direct pay number taxpayer outside the boundaries of the taxing jurisdiction that authorized the direct pay certificate are taxable to the appropriate jurisdiction where the property is picked-up. Remember, Direct Pay numbers are not transferable.

Authority to Examine Company Records

As a matter of enforcing the ordinances, the department is authorized when prudent to assign an employee of the department who is engaged in the administration of the ordinances to examine or investigate a place of business.

The scope of such an examination shall include tangible personal property, if any, and the books, records, papers, vouchers, accounts and other dealer documents.

It is the duty of every dealer, his official agent or employee to exhibit to the deputy assigned with the collection of the tax imposed by the ordinances, tangible personal property and all relative books, records, papers, vouchers, accounts and documents necessary to facilitate the examination as far as the power of the dealer's agent will allow. In the case of a dealer maintaining relative books and records outside of the parish, the Collector is authorized to burden the cost of the examination at the dealer's records location. However, the cost of such an examination is to be borne by the dealer including transportation, lodging and per diem which may be added to the assessment made for any deficiencies found during the examination or the cost for the examination can be applied to any refund claim when verification is required.

Report On-Line Purchases on State Income Tax Return

Consumers are reminded that purchases of tangible personal property through the internet or even mail order catalogs remain taxable transactions just as much as if they had purchased the product in a brick-and-mortar store. While on-line merchants may not charge you tax, you should report the use tax on your personal state income tax return.

Collector's Records Confidential

In honoring the administration of the sales tax ordinances, the Collector's records and files are viewed as confidential and privileged. Therefore, everyone charged with the custody of such records or files who are engaged with the administration shall not divulge any information from a dealer's records or files regardless of how the department obtained the dealer information. Further, the Collector nor any agent or employee who are part of the administration or who is charged with the custody of a dealer's records or files shall produce them for any individual for inspection, action or proceedings other than the dealer or his duly authorized agent or representative except in an action or proceeding covered by the provisions of the ordinances or when the records or files or facts shown are directly connected to such action or proceeding.

Office policy sometimes requires the demand for identification before handing over dealer information. In other instances, dealer information is further protected by not releasing information over the telephone.

Going out of Business

Every dealer facing a liability for tax, interest or penalty who has decided to sell or quit business in accordance with the ordinances must file a final return. The final return as described in the ordinances must be filed within (15) fifteen days after the sale or the business quitting date. When an individual or individuals or

assigns continue in business, sufficient funds shall be withheld from the purchase price to cover the outstanding tax, interest and penalty due and unpaid until the prior owner can produce a paid receipt issued by the department. To protect buyers of a business from inheriting an existing liability, the department offers verification of the current owner's tax status with the issuance of a certificate stating that no taxes, interest, or penalties are due. However, if the buyer of a business or its stock of goods shall fail to withhold sufficient money from the purchase price, the buyer will become personally liable for any tax, interest, or penalties due and unpaid by the former owner(s).

Persons who quit business and subsequently open another similar business under the same ownership format shall be liable for any tax, interest, or penalties due by the original business or owner(s).

Farm Equipment & Local Sales Tax

Louisiana residents, particularly from border parishes, are reminded that purchases of farm equipment from out-of-state dealers are subject to local taxes, as would similar purchases within the state. If delivery of the equipment is made by the dealer, he is required to collect the applicable local tax and report to the proper jurisdiction. If the customer picks up the equipment and transports it into Louisiana, the customer is responsible for reporting the proper tax to the central collection agency in their locale. Many advertisements in local media encourage Louisiana

residents to purchase farm implements in a neighboring state which doesn't presently tax this equipment. Prospective buyers are cautioned that local taxes are applicable in these transactions and provisions for reporting and paying the tax should be considered. Failure to do so will subject the resident to various collection efforts.

Local Office Holidays

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

MLK Day.....Jan. 16, 2012

Mardi Gras.....Feb. 20-22, 2012

Easter.....April 2-6, 2012

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.

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.

