

CALCASIEU TAX REVIEW

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LOUISIANA ASSOCIATION OF TAX ADMINISTRATORS ANNUAL STATE AND LOCAL SALES & USE TAX SEMINAR

Thursday, August 15, 2019 ~ 8:30 AM – 4:30 PM

CPE Credit: 8 Hours

CLE Credit: 6.66 Hours (must provide bar #)

Golden Nugget
2550 Golden Nugget Boulevard
Lake Charles, LA

Registration Fee: \$225.00 in advance (Lunch is provided)

This informative seminar will cover sales tax versus use tax, exclusions and exemptions, taxable services, differences between state and local sales taxes, and electronic filing. There will be practical application problems with examples of transactions concerning different industries such as manufacturing, retail, and construction.

Seating is limited, so please register early. Checks are to be made payable to **LATA** and submitted along the registration form by **Monday, July 22, 2019**. Please send payment and registration to:

Attn: Kressy Krennerich
LATA Seminar
P.O. Box 1718
Gonzales, LA 70707

Please contact Kressy Krennerich at (225) 621-2635 if you should have any questions.

Visit us on the web: www.calcasieusalestax.org

Mixing Personal Purchases with Business Purchases

Department field auditors are finding more often the case where dealers are using personal credit cards to pay for both business purchases and personal purchases. Whenever a business pays for credit card purchases, whether for personal use or business use, they are taxable and become subject to review by a field auditor. Personal use items are not exempt from the review process, especially when personal use items are purchased under exempt circumstances like the presentation of a Resale Certificate. Therefore, any dealer who engages in the practice of making personal purchases exempt from the local sales tax should be prepared to pay the tax, penalties, and interest associated with such purchases for personal use.

ONLINE FILING - "100% FREE"

Don't forget our free online service for filing your sales tax reports. It is fast and convenient. Go to: www.salestaxonline.com or <http://parishe-file.revenue.louisiana.gov> to get started.

PROCEEDS FROM VENDING MACHINES TAXABLE

Dealers who own coin-operated vending machines are responsible for remitting tax. According to the definition of "sales at retail," sales and use tax levied by a political subdivision include the sale of tangible personal property by the dealers through coin-operated vending machines. Because the proceeds include the local tax only, the dealer is expected to back into the taxable base. For local tax purposes, since the sales are considered "retail sales," dealers of coin-operated vending machines are allowed to buy for resale, provided they obtain the required exemption certificate and furnish the same to their vendors.



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 3409; and for audit information, dial 3422.

Sales Tax 101 Free Help to Dealers

Are you a new business owner and overwhelmed by the number of forms and information you need to produce? Maybe you've been in business for some time but are unsure of exactly what forms you need to complete. Our office has the answer--Sales Tax 101 is a short session offered to dealers to help answer sales tax questions and make filing returns easier. You can download the Sales Tax 101 presentation from our website or call our office for more information or to schedule an appointment for individual assistance.

SALES OF SERVICES TAXABLE WHERE PERFORMED

Generally, repairs are taxed where the service is performed regardless of where the tangible personal property was located prior to its repair, or where it will be returned after the repair. The Louisiana State sales tax generally applies in these situations except the tangible personal property imported in the state for repairs and is subsequently exported out of the state by either the repair dealer's own vehicle or a common carrier is excluded from the definition of sales of services. Therefore, the repair is not subject to the Louisiana State sales tax. It is very important to note that this exclusion is only applicable to state sales tax. Guidelines for the handling of these transactions may be found under the Louisiana Revised Statutes 47:301(14)(g)(i)(bb).

For local tax purposes tangible personal property which is shipped out-of-parish or out-of-state for repairs may be subject to the applicable use tax when it is returned to this parish. If the repairs were not taxed in the jurisdiction in which they were performed, then the dealer should accrue the applicable use tax on the material or parts portion of the invoice. In absence of a breakdown between parts or material and labor, the total amount charged for the repair service will be considered taxable.

Local Office Holidays

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

Labor Day..... Sept. 2, 2019
Veteran's Day.....Nov. 11, 2019
Thanksgiving.....Nov. 25 - 29, 2019
Christmas/New Year's.....
Dec. 23, 2019 – Jan. 3, 2020
MLK Day.....Jan. 20, 2020

Our regular office hours are 8:00 am to 4:30 pm. Our office is open during the lunch hour.

Due Dates for Sales and Use Tax Returns

<u>Return:</u>	<u>Due By:</u>
July 2019.....	Aug. 20, 2019
Aug. 2019.....	Sept. 20, 2019
Sept. 2019.....	Oct. 21, 2019
Oct. 2019.....	Nov. 20, 2019
Nov. 2019.....	Dec. 20, 2019
Dec. 2019.....	Jan. 21, 2020
Jan. 2020.....	Feb. 20, 2020

Direct Pay Certificates and Real Property Construction Contractors

It has come to our attention that some of the industrial businesses in our parish are providing their direct pay certificates to real property (immovable) construction contractors. This practice is incorrect.

On the face of the direct pay certificate, it clearly states that:

"This certifies that the undersigned (the industry) is a holder of a direct payment account with the Calcasieu Parish Sales Tax Department and that the 1.) tangible personal property, 2.) rental/lease, 3.) taxable service purchased from: (Vendor Name, Address, City, State, Zip) is exempt from the payment of Calcasieu Parish local sales taxes to the vendor under the provisions of R.S.47:337.15G of the Uniform Local Sales Tax Code."

There are clearly three situations in which a direct payment certificate can be used for: 1.) purchasing tangible personal property (movable property), 2.) rental or lease purchases, and 3. purchases of taxable services. Please refer the Louisiana Revised Statutes 47:303G, 47:303.1, and 47:337.15G. Contractors or construction contracts are not listed.

There are only seven taxable services listed in the the Uniform Tax Code under Louisiana Revised Statutes 47:301(14) that apply to local taxing jurisdictions: 1.) furnishing of sleeping rooms, cottages or cabins by hotels; 2.) sale of admissions to places of amusement; 3.) furnishing of storage or parking privileges by auto hotels and parking lots; 4.) furnishing of printing or over printing, lithographic, multilith, bule printing, photostating or similar services of reproducing written or graphic matter; 5.) furnishing of laundry, cleaning, pressing and dyeing services; 6.) furnishing of cold storage space and furnishing of the service of preparing tangible personal property for cold storage; 7.) furnishing of repairs to tangible personal property.

Real property (immovable) construction contractors are not reselling materials to their customers, but are using the materials they purchase in the performance of their real property construction contracts to the industry they are working for. These contractors can either pay the sales tax when they purchase the materials or accrue (self-assess) the correct local jurisdiction's use tax (depending on the location of their job) and remit the use tax on line 14 (Purchases subject to use tax) of the local sales and use tax return.

Why File Online?

Filing online has become the most convenient option for filing a sales and use tax return with Calcasieu Parish School Board Sales 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 and 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 bank 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. The most popular provider is through Parish e-File, probably due to the ability to file both the state and local tax returns from the same site. Please visit our website, www.calcasieusalestax.org, for more information.