

# **Joint Committee on Sales Tax Streamlining and Modernization Commission**

Minutes of Meeting  
2015-2016 Interim  
October 28, 2015

## **I. CALL TO ORDER**

Representative Julie Stokes, chairman of the Sales Tax Streamlining and Modernization Commission, called the meeting to order at 10:18 a.m. in Room 5, in the state capitol in Baton Rouge, Louisiana. The secretary called the roll.

## **II. ROLL CALL**

### **MEMBERS PRESENT:**

Representative Julie Stokes, chairman  
Don Allison  
Roger Bergeron  
Jay Campbell  
Rona Daigle  
Representative Mike Danahay  
Jason DeCuir  
Scott Drenkard  
Jessica Elliot  
Dannie Garrett  
David Greer  
Rusty Stutes for Paula Jeansonne  
Senator Ronnie Johns  
Vanessa LaFleur  
Mark West for Michael Norton  
Dawn Starns  
Jeanine Theriot

### **MEMBERS ABSENT:**

Bob Angelico  
Bob Israel  
Natalie Robottom

**STAFF MEMBERS PRESENT:**

Elise Read, senior legislative analyst  
Tina Vanichchagorn, attorney  
Penny Bouquet, secretary

**III. BUSINESS**

Representative Stokes informed the members that there was information provided in their packets that was not on the meeting's agenda. She drew their attention to the working document entitled, "Exemptions Which Are Optional For Political Subdivisions", (See Exhibit A). She explained that it was a spreadsheet defining the bases for local governments and a listing of all the exemptions that are optional for local taxing authorities.

Representative Stokes additionally indicated that there was a working document entitled, "Sales Tax Exemptions". (See Exhibit B) This 10-page compilation provides accounting of all the sales and use tax exemptions that have been identified for state taxes only, both state and local base and local variance.

Craig Johnson, Streamlined Sales Tax Governing Board, 100 Majestic Drive, Suite 400, Wesby, WI 54667, (608) 634-6160, presented a PowerPoint presentation entitled, "Streamlined Sales Tax A Brief Overview" (See Exhibit C), and "Federal Remote Seller Collection Authority". (See Exhibit D)

Jason Decuir asked if the three federal bills discussed and included in Exhibit D were considered tax increases, to which Craig Johnson responded that they were not tax increases because they affect taxes that are already legally due and owed.

Representative Stokes said that she believes only one percent of the Louisiana citizens pay use tax; however, she did not know the dollar amount collected from that one percent.

Dan Garrett and Craig Johnson discussed the Market Place Fairness Act of 2015 and where it currently stands for 2016. Craig Johnson stated that it is a bi-partisan bill.

Mr. Garrett and Mr. Johnson next discussed the Remote Transactions Parity Act, concerning remote sellers and small remote seller exemptions, as pointed out on Pages 6 and 7 of the presentation entitled, "Federal Remote Seller Collection Authority". (See Exhibit D)

Scott W. Drenkard, The Tax Foundation, 1325 G Street NW, Suite 950, Washington, DC 20005, (202) 464-6200 presented a PowerPoint presentation entitled, "State and Local Sales Tax Base Conformity Issues in Other States". (See Exhibit E) He also commented that there were six states with conformity issues between their state and local sales tax bases; however, they vary with the

degree to which their sales base taxes are disuniformed. Arizona and Colorado are the two states that are comparable to Louisiana.

Mr. Drenkard received tax policies for several other states.

Representative Stokes, Ms. Theriot, and Mr. Drenkard, discussed sales tax exemptions in state constitutions and the restrictions on making changes; the ranking of states by sales tax bases; and the ranking of Louisiana when it comes to exemptions. Mr. Drenkard indicated that the largest problem in Louisiana was the administrative process and having disuniformity across state and local tax bases.

Mr. Garrett and Mr. Drenkard discussed Louisiana's scoring and ranking as compared with the nation.

Representative Stokes provided the commission members with the website address for the commission, [www.House.louisiana.gov/TSMC](http://www.House.louisiana.gov/TSMC).

#### **IV. OTHER BUSINESS**

There was no other business.

#### **V. ANNOUNCEMENTS**

There were no announcements.

#### **VI. ADJOURNMENT**

The meeting was adjourned at 1:17 p.m.

Respectfully submitted,

Chairman Julie Stokes  
Joint Committee on Sales Tax Streamlining and Modernization Commission