

2016 Regular Session

HOUSE BILL NO. 722

BY REPRESENTATIVE MORENO

REVENUE DEPARTMENT: Provides relative to registration of certain online hotel marketplaces with the Dept. of Revenue

1 AN ACT

2 To enact R.S. 47:306.4, relative to online hotel sales; to provide for registration of certain  
3 dealers using online forums to transact business; to require allocation of existing  
4 resources for implementation; to provide for effectiveness; and to provide for related  
5 matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:306.4 is hereby enacted to read as follows:

8 §306.4. Registration of dealers; sale, lease, or rental through online forums

9 A. The secretary of the Department of Revenue shall promulgate rules and  
10 regulations in accordance with the Administrative Procedure Act to provide for  
11 registration with the department by dealers, as defined in R.S. 47:301(4)(f)(ii), when  
12 the transactions giving rise to the dealer's obligation to collect the state sales and use  
13 tax for occupancy at a residential location is facilitated through an online forum.

14 B. The secretary shall allocate existing resources for the implementation of  
15 this Section.

16 Section 2. The provisions of this Act shall become effective July 1, 2016.

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DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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HB 722 Re-Reengrossed

2016 Regular Session

Moreno

**Abstract:** Requires the secretary of the Dept. of Revenue to promulgate rules and regulations for registration of certain dealers collecting the state sales and use tax for occupancy at a residential location.

Present law provides procedures for collecting and remitting the state sales tax by dealers to the secretary of the Dept. of Revenue (DOR). Proposed law retains present law.

Present law, which takes effect on July 1, 2016, defines a dealer to include persons who are engaged in collecting the amount required to be paid by certain guests as a condition of occupancy at certain residential locations.

Proposed law requires the secretary of the DOR to promulgate rules and regulations in accordance with the APA for registration of dealers defined in present law with the DOR when the transaction giving rise to the dealer's obligation to collect the state sales and use tax for occupancy at a residential location is facilitated through an online forum.

Proposed law requires registration required by proposed law to be implemented using existing resources.

Effective July 1, 2016.

(Adds R.S. 47:306.4)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the original bill:

1. Change from permissive to mandatory an online hotel marketplace's obligation to register with the Department of Revenue.
2. For purposes of defining "online hotel marketplace" and "online hotel operator", delete the qualification that the location for which a hotel is compensated for furnishing be a residential location.
3. Make technical changes.

The Committee Amendments Proposed by House Committee on Appropriations to the engrossed bill:

1. Delete provisions of proposed law that would have required an online hotel marketplace to register with the DOR for payment of taxes imposed on online hotel sales.
2. Delete provisions of proposed law that would have required an online hotel marketplace to remit all taxes collected on online hotel sales along with a report of the amount of the tax collected from each taxing jurisdiction.

3. Delete provisions of proposed law that designated the secretary of the DOR as an agent of local government for purposes of collecting local taxes collected by an online hotel marketplace.
4. Require the secretary of the DOR to promulgate rules and regulations in accordance with the APA for registration of online hotel marketplaces with the DOR and require that existing resources of DOR be used for implementation of proposed law.

The House Floor Amendments to the reengrossed bill:

1. Delete the provisions of proposed law that defined "online hotel marketplace", "online hotel operator", and "online hotel sale".
2. For purposes of requiring the secretary to promulgate rules and regulations for registration of certain online hotel marketplaces, changes the terminology from "online hotel marketplaces" to those dealers, as defined in present law, when the dealer's obligation to collect the state sales and use tax arises from an online transaction for occupancy at a residential location.