



Louisiana Uniform Local Sales Tax Board

**Minutes of the Regular Meeting
Thursday, May 12, 2022 ~ 1:30 PM
LAMPERS Building, First Floor Executive Conference Room
7722 Office Park Blvd. Baton Rouge, LA 70809**

This meeting will be available via Zoom; members of the public are encouraged to provide comments to the Zoom chat function. <https://zoom.us/j/93955109963?pwd=WS9vbTRwaW0ycUkySDU1aFB1c3Q1UT09>

MEMBERS & PROXIES PRESENT (P) / ABSENT (A):

Members:

Dr. Janet Pope, LA School Board Executive Director	_____A
Mike Ranatza, LA Sheriff's Association Executive Director	_____A
John Gallagher, LA Municipal Association Executive Director	_____A
Guy Cormier, Police Jury Association of Louisiana Executive Director	_____A
Amanda Granier, LA School Board Association Appointee	_____P
Shawn McManus, LA Sheriff's Association Appointee	
Kressy Krennerich, LA Municipal Association Appointee - Chairman	_____P
Jeffery LaGrange, Police Jury Association of Louisiana Appointee – Vice Chairman	_____P

Proxies:

Neshelle S. Nogess, LA School Board Association, Secretary	_____P
_____, LA Sheriff's Association (Vacant)	_____
Karen Day White, LA Municipal Association	_____A
Debbie Henton, Police Jury Association of Louisiana	_____P

STAFF PRESENT:

J. Roger Bergeron, Executive Director	_____P
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OTHERS PRESENT:

Rick Mekdessie
Andrew Kolb
Renee Roberie, Remote Sellers Commission
Darlene Allen, Louisiana Association of Tax Administrators
King Woolf, Revenue Recovery Group
Administrators participating via the Zoom Web Conferencing platform.

Each member of the Board received the following documents prior to the meeting:

1. 05/12/2022 Meeting Agenda
2. 04/21/2022 Meeting Minutes
3. 04/30/2022 Financial Statements
4. FY 2021 YTD Budget through 04/30/2022
5. Bill Payments Month Ending 04/30/2022
6. FY 2022-2023 Budget Preparation Documents
7. Request for Information (RFI) from Private Audit Firms
8. Board Contract Audit MPA Agreement 01/03/2022

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1. Roll Call

Chairman Krennerich called the meeting to order at 1:30 PM. The secretary called the roll and a quorum (5 members / proxies or more) was established.

2. Adoption of the Agenda

ON MOTION OF Jeffrey LaGrange, SECONDED BY Amanda Granier, AND UNANIMOUSLY CARRIED by roll call vote, the Board voted to add the following items:

- Agenda Item #5 under Board Member Requests - Adjustment to Audit Manager Salary Scale
- Agenda Item #6 under Executive Director's Report – Presentation of the FY 2022-2023 Proposed Budget

ON MOTION OF Shawn McManus, SECONDED BY Jeffrey LaGrange, AND CARRIED, the Board voted to adopt the agenda of the May 12, 2022 meeting of the LA Uniform Local Sales Tax Board.

3. Approval of the Minutes of the LA Uniform Local Sales Tax Board Held April 21, 2022

ON MOTION OF Jeffrey LaGrange, SECONDED BY Debbie Henton, AND CARRIED, the Board voted to approve the minutes of the meeting of the LA Uniform Local Sales Tax Board held April 21, 2022.

4. Remote Seller Commission Update

Renee Roberie, Executive Director of the Louisiana Remote Sellers Commission, provided an update on monthly collections and distributions for the month of April 2022.

5. Board Member Requests

A. Taxpayer Request for Escrow Account Treatment – Kressy Krennerich, Chairman

- King Woolf, CEO in person and Carrie Stephenson via Zoom of Revenue Recovery Group, Inc. (RRG)
- Engaged in a MPA of a large retailer which is of statewide concern on behalf of 22 of their 36 clients and all parishes are impacted.
- The retailer has overpaid and underpaid parishes, correctly collected taxes at the correct rate and their system lacks reporting capabilities to segregate those collections by parish and therefore “dumps” all data into one pile for the State of Louisiana.
- The retailer took the Louisiana sales tax collections and allocated those taxes to the parishes based on a prior audit. Those allocations are materially incorrect due to the buying patterns as a result of the Covid-19 Pandemic.
- This matter must be resolved by December 31, 2022 statutorily.
- **Questions:** If the retailer wishes to correct this error statewide, could the LULSTB coordinate a statewide effort to identify the correct allocations and manage the process of redistributing the money to the proper jurisdictions? Does LULSTB have the authority and desire to assist as a single functioning clearing house? What can RRG do to communicate to the retailer regarding LULSTB capacity or interest to assist in any way?
- **Current Audit Status according to RRG:** Proposed assessment information has been sent to the parishes. Taxpayer is also reviewing the audit file documents and reaching back into archives for detail transaction level data for sample months.

- **LULSTB Board Member & Executive Director Comments / Recommendations:**
 - Covered obligations to collect and report correct tax, Look-Up Tool for correct rates, Credit for Taxes Paid provisions in the Revised Statutes.
 - It will be the taxpayer's responsibility to seek a refund from the remaining 41 parishes that were overpaid not represented by RRG and remit those payments to the correct parishes with supporting documentation.
 - If the taxpayer desires to submit a question and utilize the LULSTB for distribution purposes, the board would be amenable to that and contact all affected jurisdictions. However, the board will not do the taxpayer's accounting.
 - The LULSTB does not maintain an escrow account to hold the taxpayer funds.
 - Taxpayer invited to meet with Collectors in June at the Louisiana Association of Tax Administrators (LATA) 2nd Quarter Conference in New Orleans, LA.

B. Adjustment to Audit Manager Salary Scale

- Presented and included in the minutes of the April 21, 2022 LULSTB Meeting

ON MOTION OF Shawn McManus, SECONDED BY Amanda Granier, AND UNANIMOUSLY CARRIED by roll call vote, the Board voted to approve the adjustment to the Audit Manager Salary Scale.

6. **Executive Director's Report**

A. Multiparish Audit Program

1. **RFI's Received (Review & Discussion):**

- i. Responses received from Avenu Insights & Analytics, LLC, Thomas L. Driskell & Associates, Inc., Gary W. Lambert and Company, Revenue Recovery Group, Inc., and Tax Compliance & Recovery, LLC regarding information to possibly participate in the LULSTB Multi-Parish Audit (MPA) Program.
- ii. E.D. open to suggestions from the board on how to utilize the information gathered from the firms:
 1. Board Member Concerns: Audits will not come before the board without it already being assigned by the local administrator. Collectors receive multiple requests from contract auditors. If an assignment is made by the parish Collector to a particular contract auditor and the taxpayer requests a MPA, it wouldn't be fair if that assignment is given to another contract auditor. Transition from current process of multi-parish assignments to contract auditor. Need to work through the details.

Executive Director Response: If a taxpayer receives a Notice of Examination (NOE) from a parish and they invoke the policy of requesting an MPA there is an application that must be submitted and it asks if the taxpayer is currently under audit or have received a NOE by any parish. If so, those parishes could not be included in the MPA because it was assigned by a Parish prior to the MPA application date.

Board Attorney Response: Which auditor would be the lead auditor in a MPA where an NOE has already been issued by a parish? Individual parishes have the right to retain their own auditor in a MPA and therefore the expense for that contract auditor would be the responsibility of that individual parish. If the board chooses the same auditor as the parish, then a contract provision would have to be included to state the contract auditor is working for both clients.

2. Private Audit Firm MPA Contract (Review & Discussion):

- i. Draft copy included in Board Member packet.
- ii. Board member concerns:
 1. Hourly rate of MPA contract versus what is paid by individual parishes under their agreements with the contract auditors.
 2. Budget for audit examinations in FY 2022-2023.

3. Obtain DocuSign Subscription for Waivers of Prescription:

- i. Legal under the Electronic Document Act per the board attorney provided requirements are followed and executed.
- ii. Ensure we are under the procurement cap for IT.

4. Senate Bill 95 Status:

- i. Language included in the re-engrossed bill that put a time limit on the NOE that a MPA option is available. Conflict between LA RS 47:337.26 and 47:337.36. Then an amendment in Ways and Means removed the time limit and also removed the pilot program time period. Efforts are being made to put this back into the bill in both sections. The mandate to notify a taxpayer of a MPA would not start until July 1, 2023 if the amendments are accepted. As of right now, the bill would have an effective date of July 1, 2022.
- ii. NOEs will have to be revised to include language to instruct taxpayers to request a MPA.
- iii. Draft flowchart provided to board members to guide the MPA process.

B. BTA CEA Subscription Billing for Non-MOU Parishes

- Introduced at April 21st meeting and analysis provided to Board Members.
- Some administrators are having issues with emails to sign in to the BTA Case Management System.

ON MOTION OF Jeffrey LaGrange, SECONDED BY Amanda Granier, AND CARRIED, the Board voted to use the weighted 5-year subscription costs / payment structure as presented for Non-MOU parishes.

C. Presentation of the FY 2022-2023 Proposed Budget

- Budget narrative and proposal presented to the Board Members.
- Budget must be approved 15 days prior to the start of the new fiscal year.
- Salary scales will be voted upon at the June meeting of the board along with the FY 2022-2023 budget.

7. Financial Reports

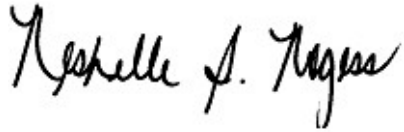
ON MOTION OF Amanda Granier, SECONDED BY Jeffrey LaGrange, AND CARRIED, the Board voted to receive the financial reports and approve the bill payments for the month ending April 30, 2022.

Other Business

- Single rate look up option available to taxpayer's on the LULSTB website. Disclaimer: this is not the official record of the sales tax rate. No log in required.
- At the Remote Seller's Commission meeting, the July 2022 meeting date was postponed due to the SEATA Convention ending date.
- Chairman recommended to add a travel budget for conferences and continuing education.

Adjournment

ON MOTION OF Amanda Granier, SECONDED BY **Debbie Henton**, AND CARRIED, the Board voted to adjourn at **3:08 PM**.

A handwritten signature in black ink, reading "Neshelle S. Nogess". The signature is written in a cursive style with a large initial "N".

Neshelle S. Nogess, Secretary