

# **Uniform Electronic Local Return and Remittance Advisory Committee**

**Meeting of July 13, 2005**

## ***MINUTES***

The Uniform Electronic Local Return and Remittance Advisory Committee Meeting was held at the Louisiana Department of Revenue's New Orleans Regional Office, on Wednesday, July 13, 2005, at 1:30 p.m.

Committee Members present were: Mark West, Chairman; Roy Austin; Cynthia Boudreaux; and Henri Louapre.

Cynthia Bridges was absent, and Kimberly Robinson with the Department of Revenue attended in her stead.

Chairman Mark West declared the meeting duly convened. A written agenda was not available for this meeting.

The Technology Committee did not have a meeting, as they are awaiting information from LATA. Two (2) meetings were called by LATA. The first meeting was in reference to UERR general information, and the second meeting solicited information.

The Banking Committee did not meet, but plans to meet before August 1<sup>st</sup>.

The Uniform Paper Task Force will meet within the next month.

Handouts were distributed, which included the survey cover letter. Instructions on how to complete the survey need to be written, however, they have not yet been determined. The survey will be available on-line, as well as in written form. The instructions will depend on the version selected.

Donna Andries expressed concern about the length of time that it would take to complete Section 5 of the survey. In response, Mr. West developed handout #2, the URR Sales Tax Matrix. Handout #3 would be used to complete handout #2. Page 5 of handout #2 represents the tax rate. Paragraphs 5, 6, 7 and 8 represent tax, interest, penalty and vendors' compensation. Paragraphs 1 – 4 pertain to the optional exemptions questionnaire.

Naomi Foret developed handout #4, based on Mr. West's handout #2. An Office of Motor Vehicles' report was used as a basis in developing handout #4, which subdivides each parish into tax districts using PM codes that represent the total sales tax to be charged in that geographic area.

Roy Austin posed the question as to whether each district should have its own PM code, and if these codes are used, the taxpayers will need to know the codes. Mr. West expressed his feeling that the PM codes would complicate the system, but should be used because they are more accurate than zip codes for distributing tax revenues.

After extensive discussion, it was determined that the survey is heading in the right direction, however, more information is needed regarding PM codes/GEO codes.

J.A. Cline brought up the impact of the Military Family Assistance Fund donation and the local option to have a donation line. The survey is designed to provide the information for making the remittances and to post on the website.

Mark West, George Maretta, Cynthia Boudreaux and Naomi Foret will meet to further discuss the survey and PM codes.

LATA would like to see a multi-level system that can handle multiple types of businesses. For basic filers, the system should resemble the paper reports that taxpayers use when filing their hardcopy returns. For more advanced taxpayers, information could be entered into some sort of commonly accepted computer language such as an ASCII file that in turn would populate the returns. For the most advanced filers, a bulk filing system should be developed. This system could be used by C.P.A.'s and businesses that file large number of reports on a consistent basis. During this discussion, Mark West stated that he had observed a demonstration at the 2005 SEATA convention of a system used by the Alabama Department of Revenue and their system employed these features.

LATA also discussed registration. Whenever a taxpayer initially registers, the system should retain the taxpayer's registration information. So if a taxpayer has taxes to be remitted to a new taxing jurisdiction, but they do not have an account number with that jurisdiction the system will automatically forward an application for the taxpayer with the remittance to the new taxing jurisdiction. The jurisdiction will accept the information and the payment. Because the system is automated, filing zero (0) returns will not create a problem. A filing frequency option will need to be created within the system.

A question was posed as to whether LDR will develop the system or contract it out? If contracted out and the vendor disappears, LATA proposes that source code be owned outright or held in escrow.

Maintenance Agreement – assuming that LDR will include such funds in the budget.

A question was posed as to whether LDR sales tax return will be integrated with local return. Mark West prefers two (2) separate systems. Should the Legislature fail to fund the system, LATA would like the opportunity to operate the system.

The Banking Committee set up meetings to discuss the manner in which funds will be collected and transferred. The most recent draft of the survey that was developed by Naomi Foret will be finalized in a smaller meeting.

Future Committee meeting dates are August 11, 2005, 10:00 a.m., at LDR; September 8, 2005, 10:00 a.m., at LDR; October 13, 2005, 10:00 a.m., at LDR; November 10, 2005, 10:00 a.m., at LDR; December 8, 2005, 10:00 a.m., meeting location changed to Cypress Bend Resort, Many, LA, following the LATA meeting.

There being no further agenda items or public comments, it was moved by Cynthia Boudreaux, seconded by Roy Austin, and carried that the meeting be adjourned.

Mr. West declared adjournment of the meeting at 3:45 p.m.

Respectfully submitted by:

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Mark West, Chairman