

The Louisiana Department of Revenue (LDR) issues several types of policy statements to provide guidance and general assistance to taxpayers. Depending on the type of policy statement, LDR may or may not be bound by the statement. However, taxpayers are bound only by the provisions of the statutes and regulations. Louisiana Administrative Code 61:III.101 explains in detail the types of policy statements issued by LDR.

### **INFORMAL ADVICE**

The easiest way to get answers to questions is to request informal advice from LDR. Informal advice may be requested orally by telephone or in person or in writing by email or letter. Informal advice does not have the force and effect of law and is not binding on LDR, the public, or the person who asked for the advice.

In addition, informal advice is disseminated by newsletters, pamphlets, and informational publications. Although, these publications are helpful tools, the content does not have the force and effect of law and is not binding on the public or LDR.

### **REVENUE INFORMATION BULLETINS**

Revenue Information Bulletins are informal information statements issued to announce general information that may be useful in complying with the laws administered by LDR. Revenue Information Bulletins are not used to provide rulings or statutory interpretations and do not generally have the force and effect of law and are not binding on the public or LDR.

Revenue Information Bulletins are generally issued for the follow reasons:

- To provide information about a change in the statutes or regulations.
- To announce a court decision.
- To disseminate information regarding changes to tax rates or values.
- To announce special tax programs such as a sales tax holiday.
- To announce tax filing deadlines.

### **RULES**

Formal rules that are issued under the Louisiana Administrative Procedures Act, (R.S. 49:950 et seq.), as authorized by R.S. 47:1511 or other statutes, and that are not inconsistent with the law, have the force and effect of law and are binding on both the department and taxpayers.

### **PRIVATE LETTER RULINGS**

A private letter ruling is a written statement issued by LDR to a taxpayer applying principles of law to the taxpayer's specific set of facts. This type of policy statement is issued only if there is no other guidance that addresses the correct application of the legal principles to the taxpayer's particular situation.

When making a private letter ruling request, the taxpayer must explain their specific situation, facts, and questions and then present their legal analysis and interpretation of the correct tax treatment. The private letter ruling will agree or disagree with the taxpayer's analysis and proposed tax treatment and explain the reasons for the ruling. Private letter rulings are not generally appropriate for questions of procedure.

Before making a private letter ruling request, it is recommended that the taxpayer contact the Policy Services Division at 225-219-2780 or by email at [policy@la.gov](mailto:policy@la.gov) to discuss whether a private letter ruling is appropriate for the situation. If a private letter ruling is inappropriate, other guidance can be given before the taxpayer invests the significant effort required to prepare a request.

Once it is determined that a private letter ruling is appropriate, the request must be submitted to the Policy Services Division by email at [policy@la.gov](mailto:policy@la.gov) or by mail to the following address:

#### **Policy Services Division**

Louisiana Department of Revenue  
P O Box 44098  
Baton Rouge, LA 70804-4098

Requests must be submitted by an identified taxpayer or by the taxpayer's representative who has a power of attorney from the taxpayer. Private letter rulings will not be issued to tax practitioners who do not identify the client for whom the ruling is sought.

Requests for private letter rulings must provide the following information:

1. The name, address, and telephone number of the person requesting the private letter ruling;
2. A power of attorney, if the person is represented by a third party;
3. A statement of the specific questions to be answered or issues to be addressed in the private letter ruling;
4. Citations or copies of relevant statutes, regulations, court decisions, advisory opinions, or other authority that may support the taxpayer's position;
5. A statement attesting to all of the following:
  - a. Whether the person requesting the opinion has the same issue under audit or appeal with LDR or any other taxing or revenue authority;
  - b. If the person requesting the opinion has been notified that an examination or audit is pending;
  - c. If the person requesting the opinion is litigating the issues;

- d. If LDR or any other taxing or revenue authority has issued an advisory opinion on the private letter ruling request's subject matter and, if so, a copy of the opinion must be attached;
- e. If the Attorney General's Office has been or will be requested to issue an opinion concerning the issue; and
- f. If the requesting person is notified of a scheduled examination or audit by LDR or another taxing or revenue authority before the private letter ruling is issued, the requester will notify the LDR Secretary

Copies of Private Letter Rulings are published on LDR's website after the taxpayer's identifying information is removed so that the taxpayer remains confidential. Although the Private Letter Ruling is binding only on the taxpayer who requested the ruling, the information can be used as a guide as to how the law would apply to situations and facts that are the same or similar to those described in the ruling. Requests for Private Letter Rulings cannot be used to delay or interrupt audit examinations and LDR may reject a private letter ruling request if the inquiry concerns matters scheduled for audit or in audit, appeal, or litigation.

### REVENUE RULINGS

Revenue Rulings are issued by LDR to provide guidance by applying principles of law to a specific set of facts to serve as guidance if the law or regulations are not clear. A Revenue Ruling is initiated internally and is a statement of LDR's position on a specific set of facts. Revenue Rulings are binding on LDR until superseded or modified by a change in the statutes or regulations or change brought about by a declaratory ruling or court decision.

### STATEMENTS OF ACQUIESCENCE OR NONACQUIESCENCE

Statements of Acquiescence or Nonacquiescence are issued to announce LDR's acceptance or rejection of specific court or administrative decisions. Statements are binding on LDR unless superseded by a later Statement, declaratory ruling, rule, statute, or court case.

If a Statement of Acquiescence is issued in response to an unfavorable court ruling, it will state that LDR will make the same determination as the court's decision if the facts are substantially the same as the facts considered by the court. The Statement of Acquiescence does not mean that LDR agrees with the court's reasoning but that it will abide by the court's decision.

Under certain circumstances, LDR may issue a Statement of Acquiescence in Result to concede only to the court's decision for that specific taxpayer. In this case, LDR may still pursue the issue with other taxpayers to have the opportunity to litigate the issue and possibly have it addressed by a higher court.

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# RULES, RULINGS, & ADVICE



from the Louisiana Department of Revenue