



**COST Press Release: September 15, 2020**

## **Louisiana Makes Great Strides Toward Improving its State Tax Administration; Greater Improvement Expected**

The Council On State Taxation (COST) is pleased to recognize the Louisiana Legislature for its recent efforts to improve the fairness and efficiency of the State's tax administration. COST regularly evaluates state laws and rules that impact the fairness and efficiency of tax systems through four scorecards, including our [State Tax Administrative Scorecard](#) and our [Sales Tax Scorecard](#). The goal of the Scorecards is to enhance the effectiveness of state tax systems for both the State and taxpayers. Louisiana's efforts have not only improved current state tax administration but have laid the groundwork for future improvements to administrative practices.

Specific improvements include:

- [S.B. 334 \(Allain\)](#), enacted June 12 generally equalizes interest rates on refunds and unpaid taxes beginning Jan. 1, 2022.
- [S.B. 205 \(Allain\)](#), enacted June 11, provides a definition for the term "final determination" for purposes of reporting federal income tax adjustments.
- [S.B. 164 \(Allain\)](#), enacted June 12, increases from 30 to 60 calendar days to appeal a local sales tax.
- [S.B. 334 \(Allain\)](#), enacted June 12, improves the funding mechanism for operating the Department of Revenue, eliminating a built-in incentive to charge penalties.
- [H.B. 11a \(Stefanski\)](#), enacted June 4, recognizes the costs incurred by sellers acting as the State's tax collector by increasing the amount of vendor compensation.
- [H.R. 31 \(Schexnayder\)](#), adopted June 18, creates a study group to make recommendations to the Legislature regarding the creation of a centralized sales and use tax collection system. This group has started meetings and has already engaged in constructive dialogue.

COST's President and Executive Director Douglas L. Lindholm stated that "We applaud the work of the Louisiana Legislature, Sen. Bret Allain, and his staff on their efforts to improve the tax climate in Louisiana and to lay the groundwork for even more improvement. We recognize that certain monumental changes, including the adoption of a centralized sales tax collection system, require a tremendous amount of work spanning multiple legislative sessions, but significant progress has been made, and it continues."

COST, the premier state tax organization representing taxpayers, is a nonprofit trade association consisting of approximately 550 multistate corporations engaged in interstate and international business. For more information about COST or this press release, please contact [Doug Lindholm](#), COST President & Executive Director (202-484-5212); [Fred Nicely](#), COST Sr. Tax Counsel (202-484-5213), or [Pat Reynolds](#), Sr. Tax Counsel (202-484-5218).