



# TAX FACTS

Volume 20, Number 2  
April 2009



## STATE REPEALS ADVANCE SALES TAX

Effective January 1, 2009, the State of Louisiana Department of Revenue made a significant change to the Louisiana sales tax laws by repealing the "Advance Sales Tax." Until January 1, 2009, taxpayers paid the 4% state sales tax on purchases made for resale and then claimed a credit for those sales taxes on line 12 of the state sales tax return. Now, the advance sales tax levy on purchases by selling dealers of tangible personal property for resale is repealed in its entirety. In addition, the authority of selling dealers to claim credit on their state sales tax returns for taxes paid on purchases of tangible personal property for resale has also been eliminated as of January 1, 2009.

For purchases made pursuant to the City of Baton Rouge, Parish of East Baton Rouge, City of Baker, City of Zachary, City of Central and various school board ordinances, the purchaser must provide a valid and properly executed "Blanket Certificate of Exemption Covering Purchases for Resale or For Further Processing" to the seller. This local tax exemption form may be obtained at [www.brgov.com/dept/finance/pdf/exempcertificate.pdf](http://www.brgov.com/dept/finance/pdf/exempcertificate.pdf).

In addition to the required local tax exemption certificate, the purchaser is now required to submit a completed and signed "Louisiana Resale Certificate," (Form R-1042), to certify that the purchase qualifies for resale. This state form may be obtained online at [www.rev.state.la.us/forms/taxforms/1042\(10\\_08\)F.pdf](http://www.rev.state.la.us/forms/taxforms/1042(10_08)F.pdf).

The City -Parish Finance Department- Revenue Division requires the presentation of both the state and local resale exemption certificates at the time of purchase. If the purchaser is located within the boundaries of East Baton Rouge Parish, the appropriate East Baton Rouge local resale exemption certificate is required. If the purchaser is located outside the boundaries of East Baton Rouge Parish, then the vendor may accept the state form (R-1042) and the appropriate local certificate as issued by that local taxing jurisdiction to exempt the transaction.

Please contact the City -Parish Finance Department- Revenue Division at 225-389-3084, if you have any questions regarding this issue.

## MEALS SOLD BY SCHOOLS, HOSPITALS, AND CERTAIN OTHER ENTITIES

Public school boards, high school boards, churches, hospitals, religious organizations, colleges, universities or private schools operating lunch rooms, cafeterias or dining rooms for the exclusive purpose of providing only their respective students, members, staff, or patients with meals are deemed not to be engaged in the business of selling tangible personal property at retail and are not liable for payment of the local sales tax with respect to such transactions. Purchases of food products by such institutions are also exempt from local sales and use taxes.

When any cafeteria, lunch, or dining room makes sales to the general public, the school, hospital, college, church, university, or religious organization operating it is deemed to be in the business of selling tangible personal property at retail and is liable for the sales tax on these sales of such meals. The school, hospital, college, church, university, or religious organization in this case may provide a resale certificate to its vendors for the purchase of the food and thereby avoid paying sales tax at the time of purchase. Please note that this exemption applies to local sales and use taxes.

## HOW IMPORTANT IS A POSTMARK DATE?

The Revenue Division computer system uses the U.S. Post Office postmark on the envelope in determining whether a return is current or delinquent. The due date for all registered filers is on the 1<sup>st</sup> of the month in which the tax is due. A return is considered delinquent after the 20<sup>th</sup> of the same month (See January 2008 Tax Facts Newsletter.) If the 20<sup>th</sup> falls on a weekend or holiday, the return must be postmarked by the next work day. Any taxpayer whose return is postmarked after the delinquent date will receive a notice of additional tax, penalty, and interest due. The return will be considered as a partial payment, and the taxpayer will receive delinquent notices until final remittance is made.

The U.S. Post Office postmark is used to enforce the assessment of penalty and interest and the loss of vendors' compensation. It is the responsibility of each dealer to ensure that sales/use taxes are transmitted in a timely matter. Additionally, dealers should be aware that giving their return to their route postal worker on the 20<sup>th</sup> could result in a delinquent return because the envelope is not postmarked until the next day. To avoid this situation, all taxpayers are urged to mail early to ensure that their returns are recognized as filed timely.

[ParishE-File.com](http://ParishE-File.com) is also available, free of charge, to taxpayers that prefer to file and pay the local sales and use tax online. Check out the website for details.

For taxpayer reference and convenience, tax due and delinquent dates for the current quarter or published in each issue of Tax Facts.

### Sales Tax Due Dates

Following are the sales tax due dates for the second quarter of 2009:

<u>For the Month of</u>	<u>Tax Due Date</u>	<u>Delinquent Date</u>
April	May 1	May 21
May	June 1	June 23
June	July 1	July 21

#### Need help?

Taxpayers may contact the Revenue Division by phone or fax to receive assistance between the hours of 8 a.m. and 5 p.m., Monday - Friday.

Taxpayer Assistance (225) 389-3084  
Fax Number (225) 389-5369

### Taxpayer Topics

The *Tax Facts* newsletter is issued quarterly by the Department of Finance/Revenue Division. Our mission is to provide taxpayers with information concerning developments and policies regarding the collection of local sales and use tax within East Baton Rouge Parish. The Revenue Division invites any suggestions, questions or comments on issues that you would like addressed in future issues of *Tax Facts*. Please send these items to:

**City of Baton Rouge  
Parish of East Baton Rouge  
Department of Finance  
P. O. Box 2590  
Baton Rouge, LA 70821-2590  
Attention: Steve Thomas,  
or email to  
[stthomas@brgov.com](mailto:stthomas@brgov.com)**

### Need a Sales Tax Reporting Form?

Visit our website at [www.brgov.com/dept/finance/pdf/salestaxform-jpi.pdf](http://www.brgov.com/dept/finance/pdf/salestaxform-jpi.pdf)

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[www.brgov.com/dept/finance/tax.htm](http://www.brgov.com/dept/finance/tax.htm)

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