

CALCASIEU TAX REVIEW

Vol. 35, Issue 2

Direct Pay Certificates and Real Property Construction Contractors

It has come to our attention that some of the industrial businesses in our parish are providing their direct pay certificates to real property (immovable) construction contractors. This practice is incorrect.

On the face of the direct pay certificate, it clearly states that:

“This certifies that the undersigned (the industry) is a holder of a direct payment account with the Calcasieu Parish Sales Tax Department and that the 1.) tangible personal property, 2.) rental/lease, 3.) taxable services purchased from: (Vendor Name, Address, City, State, Zip) is exempt from the payment of Calcasieu Parish local sales taxes to the vendor under the provisions of R.S.47:337.15G of the Uniform Local Sales Tax Code.”

There are clearly three situations in which a direct payment certificate can be used for:

1.) purchasing tangible personal property (movable property), 2.) rental or lease purchases, and 3.) purchases of taxable services. Please refer the Louisiana Revised Statutes 47:303G, 47:303.1, and 47:337.15G. Contractors or construction contracts are not listed.

There are only seven taxable services listed in the the Uniform Tax Code under Louisiana Revised Statutes 47:301(14) that apply to local taxing jurisdictions: 1.) furnishing of sleeping rooms, cottages or cabins by hotels; 2.) sale of admissions to places of amusement; 3.) furnishing of storage or parking privileges by auto hotels and parking lots; 4.) furnishing of printing or over printing, lithographic, multilith, bule printing, photstating or similar services of reproducing written or graphic matter; 5.) furnishing of laundry, cleaning, pressing and dyeing services; 6.) furnishing of cold storage space and furnishing of the service of preparing tangible personal property for cold storage; 7.) furnishing of repairs to tangible personal property.

Real property (immovable) construction contractors are not reselling materials to their customers, but are using the materials they purchase in the performance of their real property construction contracts to the industry they are working for. These contractors can either pay the sales tax when they purchase the materials or accrue (self-assess) the correct local jurisdiction’s use tax (depending on the location of their job) and remit the use tax on line 14 (Purchases subject to use tax) of the local sales and use tax return.

Have a question about sales or use tax? Email us at salestax@cpsb.org

SALES TAX RATE LOOKUP TOOL

Taxpayers can now access the Louisiana Uniform Local Sales Tax Board sales tax rate lookup tool. This is a **free online tool** that taxpayers can use to lookup a street address to find the state and local sales tax rates, parish name, return column, vendor’s compensation rate, local interest rate, and local delinquency rate for any location in Louisiana by Geocode. In order to access this information, taxpayers should create a username and password by clicking **“SIGN UP HERE”** at the link below:

<https://salestaxportal.com/login>

ONLINE FILING

“100% FREE”

Don’t forget our free online service for filing your sales tax reports. It is fast and convenient. Go to:

www.salestaxonline.com or
<http://parishe-file.revenue.louisiana.gov>
to get started.

Visit us on the web: www.calcasieusalestax.org

Local Office Holidays

Our offices will be closed on the following dates for the holidays mentioned:

Independence Day ----- July 4, 2023
Labor Day ----- Sept. 4, 2023
Fall Break ----- Oct. 5-6, 2023
Veterans Day ----- Nov. 10, 2023
Thanksgiving ----- Nov. 20-24, 2023
Christmas/New Year ----- Dec. 20, 2023
- Jan. 2, 2024
MLK Day ----- Jan. 15, 2024

Our regular office hours are 8:00 am to 4:30 pm. Our office is open during the lunch hour.



HOW TO CONTACT US

Our main number is **(337) 217-4280** and **fax number is (337) 217-4281**. Extension for general customer assistance is 3413; for administration, dial extension 3423; for delinquent returns, dial 3409; and for audit information, dial 3422.

Due Dates for Sales and Use Tax Returns and Hotel/Motel Returns

Return:

Due By:

July 2023.....Aug. 21, 2023
Aug. 2023.....Sept. 20, 2023
Sept. 2023.....Oct. 20, 2023
Oct. 2023.....Nov. 20, 2023
Nov. 2023.....Dec. 20, 2023
Dec. 2023.....Jan. 22, 2024
Jan. 2024.....Feb. 20, 2024

Collector's Records Confidential

In honoring the administration of the sales tax ordinances, the Collector's records and files are viewed as confidential and privileged. Therefore, everyone charged with the custody of such records or files who are engaged with the administration shall not divulge any information from a dealer's records or files regardless of how the department obtained the dealer information. Further, the Collector nor any agent or employee who are part of the administration or who is charged with the custody of a dealer's records or files shall produce them for any individual for inspection, action, or proceedings other than the dealer or his duly authorized agent or representative except in an action or proceeding covered by the provisions of the ordinances or when the records or files or facts shown are directly connected to such action or proceeding. Office policy sometimes requires the demand for identification before handing over dealer information. In other instances, dealer information is further protected by not releasing information over the telephone.

Sales Tax 101

Free Help to Dealers

Are you a new business owner and overwhelmed by the number of forms and information you need to produce? Maybe you've been in business for some time but are unsure of exactly what forms you need to complete. Our office has the answer--**Sales Tax 101** is a short session offered to dealers to help answer sales tax questions and make filing returns easier. You can download the Sales Tax 101 presentation from our website or call our office for more information or to schedule an appointment for individual assistance.

SPECIAL EVENTS, CRAFT SHOWS, TRADE SHOWS, & OTHER EVENTS

Collecting sales tax at special events ensures fair treatment to all customers and vendors, and helps both the state and local economies. The vendor collects sales tax from the consumer and remits it to the appropriate taxing authority. The money collected funds schools, roads, and police and fire protection. All persons and entities making retail sales are to collect and remit local sales tax.

Special events include fairs, craft shows, trade shows, flea markets, art shows, farm markets, concerts, festivals, carnivals, swap meets, and fundraising events. They may also include conventions, picnics, and other gatherings where retail sales are made.

What is an event? – An event is an occurrence, occasion, activity, or function at which merchandise is sold or traded or taxable services are provided.

Who is a vendor? – A vendor is defined as a person or entity selling merchandise, providing a taxable service, or attending to an informational booth. A vendor may also be referred to as a seller, exhibitor, or booth owner.

Why must I collect and remit local sales taxes? – It is the law. Provided everyone complies, local sales tax ensures fair opportunity for all vendors.

Are admissions taxable? – Admissions to any place providing amusement, entertainment, or recreational services require local sales tax to be collected.

Is there local sales tax on food? – Local sales tax is required to be charged on all prepared food sales.

What if I didn't collect local sales tax? – Local sales tax is collected on all sales. Local sales tax may be added to the price of an item or included in the price of an item. If local sales tax is included in the price of an item, the vendor must post, in a conspicuous location, a sign stating that "*All prices include local sales tax.*" You will be responsible for the local sales tax whether you intentionally collected it or not.

Dealers Must Report Excess Tax

Periodically, we entertain calls from consumers who question the rate of tax being charged by dealers. And, after an examination of records, the department is able to confirm the collection of "Excess Tax" in some instances. When dealers collect tax for any period in excess of the tax rate authorized by the Ordinance, the total tax collected must be paid to the Collector less the compensation allowed when reported timely. The excess tax should be reported on line 17 of the Parish Sales Tax Return.

To Give a Gift Card or Not to Give a Gift Card?

That is the Question.....

Gift certificates and gift cards are not taxable at the time of purchase. The tax is due at the time of redemption of the gift certificate or gift card for tangible personal property. However, gift certificates or gift cards to a spa or hair salon for non-taxable services would not be taxable at the time of redemption.