

1 Introduced April 8, 2008, by Councilman  
2 Canada, seconded by Councilman Hursey

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4 **RESOLUTION R08-29**

5 A resolution by the Slidell City Council opposing House Bill Nos. 440, 442,  
6 and 453, relative to the centralized collection of all local sales and use taxes by the  
7 Louisiana Department of Revenue, House Bill No. 747 and Senate Bill No. 289, relative to  
8 prohibiting contingency fee contracts for auditing and collection of taxes, and Senate Bill  
9 No. 329, relative to the finality of decisions of the Louisiana Association of Tax  
10 Administrators.

11 WHEREAS, in the last two decades the City of Slidell has experienced  
12 unprecedented growth and continues to be fast growing. In an effort to properly manage the  
13 growth, and in order to provide the associated infrastructure that is needed by all of the  
14 residents and businesses. The City of Slidell and St. Tammany Parish have cooperated in order to  
15 establish growth management and tax sharing agreements. For many years the St. Tammany  
16 Parish Sheriff's Office has been the Ex-Officio Tax Collector for the City of Slidell, charged  
17 with the responsibility of administering, collecting, reporting and remitting sales and use  
18 taxes in accordance with each of the tax sharing agreements. It has been a formidable  
19 challenge that has been mastered by the Sheriff and members of his office; and  
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22 WHEREAS, HB No. 440, HB No. 442 and HB No. 453 provide that all sales  
23 and use taxes levied by any political subdivision of the state shall be collected; administered, and  
24 enforced by the State Department of Revenue. The proper administration of these local  
25 taxes, particularly in the City of Slidell; requires a significant investment of experience. The  
26 proposed centralization of sale and use tax collection and administration in Baton Rouge  
27 will result in a significant decrease in efficiency and service to the taxpayers of Slidell; and  
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30 WHEREAS, the Sheriff's Office currently provides monthly reports that include  
31 specific amounts, along with electronic downloads of information vital to the maintenance of  
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4 the existing tax sharing agreements. According to the proposed legislation, the state will  
5 provide quarterly reports of taxes collected with the name, address, and account number.  
6 The Sheriffs Office currently provides monthly reports of delinquency, while the State will  
7 provide quarterly reports. Questions concerning missing vendors are answered by the Sheriff's  
8 Office, via email or telephone on the same day or within a week. According to the proposed  
9 legislation, the state will provide answers within 90 days. Currently, taxpayers questioning their  
10 bills or seeking refunds can call, write, email or visit the Sheriff's Office. Under the proposed  
11 legislation, taxpayers questioning their bills or seeking refunds must do so to the Board of  
12 Tax Appeals. The Sheriff's Office works the local fairs to ensure that all taxes are being  
13 collected and remitted, especially from vendors coming from outside the parish or state; and  
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20           WHEREAS, HB No. 747 proposes to eliminate contingency fee contracts with  
21 private audit firms and legal counsel, which will effectively deter decisions to audit or pursue  
22 collections because of budgetary constraints. Contingency fee contracts allow that when an  
23 audit reveals that no taxes are owed, the local collector owes no fees to the audit firm, and  
24 should a case be lost in court, no fees are owed the attorney. Conversely, in those cases where  
25 an audit reveals that taxes are owed, and when a case is successfully pursued in court, the  
26 amount owed is based on the actual time spent or a percentage of what is collected,  
27 whichever is the *lesser* amount. Contingency fee contracts also promote decisions based on the  
28 merits of pursuing collection, rather than budgetary constraints of the office; and  
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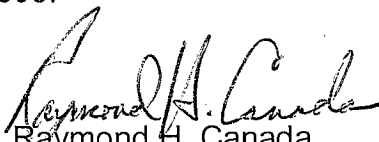
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37           WHEREAS, SB No. 329 provides that any taxpayer who believes that the  
38 collection of a sales or use tax would violate the requirement of uniformity under the  
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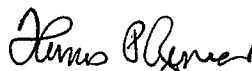
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4 Uniform Sales Tax Code, the taxpayer may seek a uniformity interpretation from the board  
5 of directors of the Louisiana Association of Tax Administrators. If the opinion of the board  
6 is that the rule, regulation, policy, or the local collector's interpretation of local sales and  
7 use tax law violates the requirement of uniformity of interpretation, the board's  
8 interpretation must be accepted by the court and no court can entertain any action to  
9 collect the tax, enforce a subpoena or other order of audit, examination, or investigation of  
10 the books and records of the taxpayer or of a third party.  
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17           NOW THEREFORE BE IT RESOLVED by the Slidell City Council that it  
18 does hereby oppose the adoption of House Bill Nos. 440, 442 and 453, relative to the  
19 centralized collection of all local sales and use taxes by the State Department of  
20 Revenue, House Bill No. 747 and Senate Bill No. 289, relative to prohibiting contingency  
21 fee contracts for auditing and collection of taxes, and Senate Bill No. 329, relative to the  
22 finality of decisions of the Louisiana Association of Tax Administrators..  
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27           **ADOPTED** this 8th day of April, 2008.  
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31 Raymond H. Canada  
32 President of the Council  
33 Councilman, District E

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35 Thomas P. Reeves  
36 Council Administrator  
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