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7 Introduced April 11, 1989, by  
8 Councilman Callahan, seconded by  
9 Councilman Salvaggio

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11 Item No. 89-04-1349

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14 **ORDINANCE NO. 2257**

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17 An ordinance amending Chapter 17 Taxation and Licenses\*  
18 of the Code of Ordinances of the City of Slidell to provide for  
19 prepayment of taxes by nonresident prime contractors.

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21 BE IT ORDAINED by the Slidell City Council that Chapter  
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23 17 Taxation and Licenses\* of the Code of Ordinances of the City of  
24 Slidell is hereby amended by adding a new section as follows:

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27 Add: Sec. 17-68.2. Deposit on tax by nonresident prime  
28 contractor.

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31 (1) Prior to commencing work on any construction  
32 contract which in the aggregate exceeds ten  
33 thousand dollars, any nonresident prime  
34 contractor, as defined in R.S. 47:9(A)(2),  
35 shall:

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38 (a) Register the contract with the City Tax  
39 Collector and obtain a material purchase  
40 certificate in a form to be determined by the  
41 Tax Collector, which certificate shall  
42 identify the construction project registered  
43 and recite the total amount of the contract;  
44 and  
45  
46 (b) Remit to the Finance Department two percent of  
47 forty percent of the entire contract amount  
48 which shall represent an advance deposit on  
49 the remittance of state sales and use taxes  
50 which would become due the City under the  
51 provisions of this Chapter, or  
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53 (c) File with the Finance Department a surety bond  
54 or a blanket surety bond for all contracts,  
55 sufficient to cover all taxes due on the  
56 contract or contracts.  
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13 (2) The prime contractor or any subcontractor, who has  
14 prepaid the deposit as provided in this Section,  
15 may present the material purchase certificate to  
16 any supplier of materials, supplies, or services to  
17 be utilized on the contract project and be exempted  
18 from the payment of City sales and use taxes. The  
19 supplier shall mark upon the certificate, in a  
20 space and manner provided, the amount of each tax  
21 exempt purchase so made.  
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31 (3) (a) No City Department charged with the  
32 responsibility of issuing any permit, license,  
33 or certificate necessary for the lawful  
34 commencement of any construction contract  
35 subject to the provisions of this Section,  
36 shall issue such permit, license, or  
37 certificate until sufficient proof of  
38 possession of a material purchase certificate  
39 for that project is shown by the applicant.  
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49 (b) Any person failing either to execute any bond  
50 herein provided, or to pay the deposit on  
51 taxes in advance, before beginning the  
52 performance of any contract shall be denied  
53 the right to perform such contract until he  
54 complies with such requirements. The Tax  
55 collector shall have the right to enjoin the  
56 performance of the contract until either a  
57 satisfactory bond is executed and filed or all  
58 deposits on taxes are paid in advance of  
59 performance prior to satisfying these  
60 requirements and the Tax Collector may also  
61 impose a penalty for commencing of two hundred  
62 dollars or two percent of the construction  
63 contract, whichever is greater.  
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13 (4) Within thirty days of the completion and acceptance  
14 of the contract project, the prime contractor shall  
15 submit to the Finance Department, on a form  
16 provided or approved by the Finance Department, a  
17 complete and accurate accounting of all City sales  
18 and use taxes which become due as a result of the  
19 contract. In the event that there are taxes due  
20 in excess of the deposit, they shall be submitted  
21 with the accounting. If the prime contractor is  
22 due a refund occasioned by the deposit of an amount  
23 in excess of the tax due, the Finance Department  
24 shall remit the overpayment within fifteen days  
25 from the date the accounting is received by the  
26 Finance Department.  
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41 (5) The Tax Collector shall promulgate such rules and  
42 regulations and may have printed such forms as are  
43 necessary to effectuate the provisions of this  
44 Section.  
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53 ADOPTED this 9th day of May, 1989.  
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56 **DELIVERED**  
57 5/11/89 9:15 a.m.  
58 to the Mayor

59 **RECEIVED**  
60 5/12/89 2:40 p.m.  
61 from the Mayor

62 *Philip M. Salvaggio*  
63 Philip M. Salvaggio  
64 Councilman, District F  
65 President of the Council

66 *Salvatore A. Caruso*  
67 Salvatore A. Caruso  
68 Mayor

69 *Davis Dautreuil*

70 Davis Dautreuil  
71 Council Administrator/Clerk of the Council  
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