



Summer 2010

Issue 1, 2010

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**Reminder!**

**Third  
Quarter  
Conference**

**Sept 8-10  
Bossier City**

# LATA NEWSLETTER

## From the Editor's Desk:

### *Another One Bites the Dust....*

After a grueling near three months, the 2010 Regular Session is now history. After a week or so of reflection, my initial thought is “what a difference a year makes”. While 2009 was a scheduled “fiscal session”, the Association was concerned with three primary bills (HB 819,882 and SB 268). We had measurable success with our interaction in the processing of those measures. So, lo and behold, in a so-called “non-fiscal” session in 2010, we were faced with monitoring some 50 bills with potential impact on local tax collections and administration. So how could we and did we cope with the onslaught?

First and foremost was an organized approach lacking the previous year, accomplished by the LATA Board of Directors adoption of a specific policy/procedure to define our role in the process. The initial process, fairly simple in design, provided for review, notifications, subcommittee formation, initial position establishment, and communication of those positions to the authors/proponents of the measure. After that, in what I like to refer to as “organized chaos”, is the interaction of Legislative Committee members in the give and take of the law making process.

Except for HB 1404, the prescription drug exemption, which was defeated (twice) and involved a multi-organization firefight, most of the bills resulted in hard negotiated out-comes. One only has to look at the original language of several measures as compared to the enrolled versions.

For example, SB 567 by Sen. Morrish started off as a stifling bill which would subject almost every collection action taken by a local sales tax administrator to a quasi-judicial review by a “local division” of the LA Board of Tax Appeal. In the end, the BTA thing went away, to be replaced with the limited use of a mandatory, appealable arbitration process.

The so-called “triplets” (HB 666,667, and 845), a set of bills spon-

sored by Rep. Rick Nowlin in conjunction with LABI program objectives underwent a series of meetings, internal debates, and negotiations, which, in the end, neither side got exactly what it wanted but reached a compromise both parties felt they could live with. Such is the legislative process. As an organization, I believe we learned that it is not enough to “just say no” and that participation in the process is much more preferable than having to wage all out opposition to every measure, giving the perception that we are intransigent in all things local-tax related.

Can we improve on the process? Absolutely. I am committed to working with our Legislative Co-chairmen, who did a fabulous job in holding things together, to find ways to enhance the process. And I need to bone up on the Ad Valorem Tax collection process since about half of the bills introduced were AVT-related and the bulk of that work fell entirely upon the AVT Sub-committee.

One would think that 2011 would be calm in light of this year’s volume, but we can’t predict that with any degree of confidence, especially in light of House Study Request 4, which advocates a study of the local tax effect of prescription drugs administered in an out-patient setting.

**J Roger Bergeron, Editor**  
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## 2010 LATA CONFERENCES OFF TO HUGE START

LATA President Neshelle Nogess and Second V.P. Mark West have to beaming over the success of the Association’s first two quarterly conferences of 2010. Attendance has sparkled, matching the program content and the usual LATA brand of after-hours fun and camaraderie.

The First Quarter meeting was hosted by the St. Tammany Parish Sheriff’s Office in Covington, LA on March 10-12. Program highlights included Reporting for Annexation (Shawn McManus), a riotous presentation by the Computer Tech committee (Donna Andries, Rick Macdessie), Mediation vs. Litigation (Vince Fornias) and Mediation at Work (Bob Rainer).

After hours treats included a scrumptious Bar-B-Que and a performance by renowned Elvis impersonator Brandon Bennett.

Shawn McManus and staff did a wonderful job on our first trip back to Covington since the early 2000s. Able assistance was provided by: Lt. Sheila Cusimano, Lt. Julie Teal (Golf & Hotel), Cpl. Scott Downs (BBQ) as well as Sales Tax Auditors Kelly Carlos, Travis Cooper and Susan Whitaker. They were assisted by Sales Tax Office staffers Leslie Bartley, Brenda Burke, Charlotte Engolia, Brandy Hanson, Kathleen Marchetta and Desiree Reed.

Second Quarter host, Barry Dufrene remarked “ that’s going to be a tough act to follow”, but the St. Mary Parish Sales Tax Department followed suit with a return trip down south to venerable Morgan City. As the parish nears its bicentennial celebration, LATA members attending enjoyed three days of hard work and good fun from June 9-11.

Following a long day of committee meetings, attendees enjoyed the traditional Second Quarter Crawfish Boil, sponsored by Jim Bergeron and his crew from JPI Data Resources. General session presenters included Dr. James Richardson, with an insightful look at the LA economy, Joy Erwin with the LA Legislative Auditor on cash transaction controls, Tracie Castin with the LA Dept. of Natural Resources on utilization of the SONRIS information system and Ray Tangney, Senior Policy Advisor, LA dept. of Revenue on remote accessed software and products.

All enjoyed some fine evening dining & dancing at the famous Petroleum Club as well as a bountiful fishing trip for early arrivals and an informative trip to the “Mr. Charlie” drilling rig.

Barry’s able staff includes Jeff LaGrange, Michelle Picou (Treasurer, Registration, and Hospitality), Joan Simon (Hotel & Hospitality), Ellen Darnell, Rhonda Patterson (Registration & Hospitality), Donnette Webber (Office management), Thaddeus Marcell (Fishing trip), and Tony Fuhrer (Golf & Mr. Charlie trip).

## **Committee News:**

### **LEGISLATIVE:**

As mentioned in the legislative synopsis, the Legislative Committee played an important role throughout the session. The subcommittees and the bills they were assigned by the Co-chairmen are:

Sub-leader: Rufus Fruge Members: Tim Cefalu, Jeff LaGrange, and Jeff Whitton  
Bills: HB 605,666,924, 1404, SB 567

Sub-leader: Ray Tangney Members: Tiffini Delapasse, David Humphries, and David Hall

Bills: HB 273, 1136, 1270, SB 141,458

Sub-leader: Barry Dufrene Members: Tom O'Neal, Patrick Segura, and George Marretta

Bills: HB 234, 680, 1081, 1405, SB 186

Sub-leader: Mike Curtis Members: Patrick Johnston, Lisa Broussard, and Barry Dufrene

Bills: HB 667,769,845, SB 124

Sub-leader: Ken Kirspel Members: Jerry McWherter, James Bowie, and David Humphries

Bills: All 24 Ad Valorem Tax bills and SB 321 (IPT) SB 707 (OLT)

In addition: Tiffini Delapasse and Bobby Craig provided special assistance with HB 680 and SB 567, Mark West with HB 1226, and of course, thanks to George Marretta and the LMA for access to the Legiscon tracking system. Once again, Bob Rainer provided special assistance on bills with legal ramifications. And a special thank you to Calcasieu Parish's Sheryl Wilkerson for some last minute internet correspondence to the capitol while Rufus, Bobby & I were trying to get a grip on a slew of SB 567 amendments while the Morgan City conference was in progress.

The Committee's co-chairmen Mike Curtis and Barry Dufrene did a ton of work in organizing the effort and addressing key issues as they arose throughout the session. Any and all successes experienced by the LATA this session is attributable in large measure to the diligence and hard work of all of these individuals.

And last, but not least, the Louisiana Department of Revenue announced that the Local Cancer/Chemotherapy Prescription Drug rule (LAC 61:I.4401) was officially published in the State Register. The regulation was primarily the work of current and former members of the Legislative sub-committee consisting of: Rufus Fruge, Donna Andries, Bobby Craig, Ron Carter, Carl Meche, Jerry Moore, Mark West, Greg Ruppert and Brian Wilson.

The Legislative Committee also addressed responses to the LA Department of Revenue on three proposed rules concerning newspapers, sales/use tax treatment involving immovable property, and the Second Amendment Holiday exemption.

## **Computer Technology**

The CTC has announced a July 1 target date for the implementation of the new LATA website. In addition to its new look, the site will feature loads of new data and features for members, taxpayers and administrators. For a sneak preview, log on to [www.mylocaltax.com](http://www.mylocaltax.com).

## **Education**

Ron Carter and company are gearing up for the annual LATA State & Local Sales Tax Seminar, to be held August 5<sup>th</sup> at the Holiday Inn in Lafayette, LA. Registration information can be obtained from the LATA website [www.laota.com](http://www.laota.com). The committee has also announced October 28<sup>th</sup> as the date for this year's Certified Testing round, also to be held in Lafayette.

## **Uniform Forms**

New chairman Jeff LaGrange reports that his committee is working on a standardized "No Change" letter, Reciprocal Information Exchange Agreement, as well as updates to NAICS codes.

## **Ad Valorem**

Committee Chair Jerry McWherter advises that their group is looking to update the AVT manual following the completion of the 2010 legislative session, with an eye towards putting the publication on the LATA website in the near future.

## **Local Audit**

This newly reformed committee, co-chaired by Mark West & Donna Andries has produced its mission statement for 2010 and beyond. This group aims to develop a feasible plan for conducting joint audits among local taxing authorities as well as between locals and the state Department of Revenue. Cornerstones to the plan will be a program that will promote the highest degree of efficiency, integrity, effectiveness, and fairness at the lowest possible cost to the participants.

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# LONG LEGISLATIVE SESSION ENDS

The 2010 version of the Louisiana Legislative Regular Session ended at 6:00 p.m. on June 21<sup>st</sup> after 85 days of lawmaking activity by elected officials. Some 49 pieces of legislation were identified as having an impact on local tax administration and were monitored by the joint efforts of the LATA's Legislative Committee and Executive Director.

The Association's legislative position policy, adopted by the Board of Directors in a special February meeting, provided a coordinated framework for interaction with the author (s) and proponents of bills affecting local tax collections. Several administrators volunteered for subcommittees which addressed the issues presented by each bill and followed their progress through the end result. The Legislative Committee Co-chairmen did a tremendous job in coordinating the effort and often had to make decisions critical to the process.

Not to be overlooked is the assistance received from local governmental organizations, the La. Municipal Assn., LA. Police Jury Assn., LA. School Board Assn., LA. Sheriffs Assn. and the LA. Conference of Mayors who offered their support in opposition to key measures, especially bills that would have had a significant impact on local revenues (HB 1404 and SB 707).

Several bills categorized as "administrative" will require a significant amount of orientation on the part of administrators as they become law (HBs 602,666,667,845 and SB 567). Each of these enrolled bills will introduced a new consideration in the assessment and collection process. Depending on the effective date, the Association will have to quickly and effectively communicate these changes to our members.

A summary of the bills monitored follows: Bill numbers/authors in green indicate the initial position proposed by the legislative subcommittee handling the bill was "favorable, in red as "opposed", and in black as "neutral or local only". As is often the case, the substance of many bills changed throughout the process.

Bills assigned the status of "Enrolled" are those that have completed the legislative process and are awaiting signature by the governor (or other requirements) before receiving official enactment. As those Acts are identified, they will be communicated to you and will no doubt be given further explanation at future conferences or perhaps sooner.

## LATA LEGISLATIVE SUMMARY 2010 REGULAR SESSION

### *Ad Valorem Tax*

**HB 246 (Pope)** – Exempts property owned by certain disabled veterans and spouses from ad-valorem property tax, subject to parish voter approval. **Enrolled**

**HB 325 (Stiaes)** – Authorizes an extension of the homestead exemption and special assessment level for property damaged or destroyed by a disaster under certain circumstances. **Returned to calendar**

**HB 481 (Roy)** – Authorizes sheriffs and ex officio tax collectors to employ an agency to assist in the collection of delinquent ad-valorem taxes and obligations and provides for the payment of such services on a fee basis. **Passed House, Failed Senate**

**HB 508 (Roy)** – Authorizes the publishing of notices of delinquency and tax sales information over the internet. **Enrolled**

**HB 577 (Pearson)** – Increases the level of assessed valuation of property at which the homestead exemption applies and authorizes the deferral of property taxes for certain property owners. **No action**

**HB 602 (Smith)** – Provides relative to certified notification of delinquent ad valorem taxes, on February 1<sup>st</sup>, or as soon as possible thereafter. **Enrolled**

[Note: amendment requiring certified mail was be opposed by several municipal collectors but strongly supported by LA Sheriffs Assn.]

**HB 604 (Champagne & Adley)** – Require certain notifications and procedures relating to insufficient reporting of taxable property. **Enrolled**

**HB 676 (Pearson)** – Provides for procedures relating to local option elections for establishing the level of assessed valuation of property at which the homestead exemption applies in a parish. **No action**

**HB 808 (T. Burns)** – Provides relative to the effect of privileges and liens for certain assessments. **Signed by Gov. Act 279**

**HB 835 (Dove)** – Provides relative to the lease, transfer, and sale of property adjudicated to the state for nonpayment of taxes. **Signed by Gov. Act 281**

**HB 849 (Roy)** – Authorizes municipal ad valorem tax collectors to employ private counsel or an agency for collection of delinquent taxes and provides for the collection of a fee for such services. **Returned to calendar**

**HB 850 (Roy)** – Authorizes the collection of refundable deposits from tax sale participants prior to the commencement of the tax sale. **Enrolled**

**HB 993 (Greene)** – Increases level of assessed valuation of property at which the homestead exemption applies. Const. Amend. **No action**

**HB 1037 (Hines)** – Authorizes redevelopment covenants as part of tax sales and lien foreclosures. **No action**

**HB 1105 (Greene)** – Provides for the valuation of unoccupied land for purposes of determining its assessed valuation for ad valorem taxation. Const. Amend. **No Action**

**HB 1108 (Pearson)** – Authorizes the deferral of ad valorem taxes and provides with respect to tax deferral liens. **No Action**

**HB 1389 (Ligi)** – AVT: relative to tax sales and adjudicated property, no minimum bids, sales to highest bidder, advertisement. **Enrolled**

**HB 1401 (Nowlin)** – AVT: relative to notice of delinquent taxes. **No action**

**HB 1446(Stiaes)** - AVT: Provides relative to the payment of ad valorem taxes and the cancellation of tax liens on blighted property under certain circumstances (N.O. Redevelopment Authority) **No action**

**HB 1457 (Monica)** AVT: Relative to payments in lieu of ad valorem tax paid by a lessee to a political subdivision, industrial development board or certain public trust in relation to a securitized transaction. **Enrolled**

**SB 20 (Murray)** – Companion bill to constitutional amendment (SB 21) which extends the time period in which the owner of a homestead must reoccupy the homestead in order to retain the homestead's homestead exemption or its special assessment level from five years from December 31<sup>st</sup> of the year in which a disaster or emergency occurs to up to five additional years. **Enrolled**

**SB 24 (Alario)** – Constitutional amendment to limit the increase in the assessed value of real or immovable property upon reappraisal to the increase in the CPI except in certain circumstances. **No action**

**SB 283 (Martiny)** - Provides relative to sheriff & ex-officio collectors collection and disposition of bonds, fines, fees, licenses, taxes with an agency and method of payment. **Enrolled**

**SB 296 (Martiny)** – Provides relative to the appointment and compensation of attorney or agency for municipal tax collections, not to exceed 10% of total due. **Enrolled**

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## **Sales Tax**

**HB 234 (Carter)** – Clarifies that local political subdivisions may authorize a sales and use tax exemption for qualifying radiation therapy treatment centers. **Enrolled**

**HB 273 (Lebas)** – Provides relative to the payment of local sales and use tax on prescription drugs and pharmacist services. **No Action**

**HB 1081 (Richmond)** – Provides with respect to the limitation on sales and use taxes levied by certain political subdivisions. **No action**

**HB 1136 (Carter)** – Provides with respect to dealers for purposes of the sales and use tax. **No Action [Commentary to be provided]**

**HB 1404 (Mills)** – Provides for local sales & use tax exemption for certain drugs.  
**Ways & Means: Favorable 10-5 House Floor: Failed 44-45**

**HB 1405 (Guillory)** – Provides for dealer collection of sales/use tax on factory built housing. **No Action**

**SB 124 (Adley)** – Authorizes a refund of an overpayment of state tax or local sales tax for any payment for any period if a claim for refund is received between June 30, 2010 and January 1, 2011. **Withdrawn**

**SB 141 (Hebert)** – Authorizes public entities utilizing tax increment finance (“TIF”) to enter into a joint venture or cooperative endeavor with one or more other public entities utilizing TIF to utilize all or a portion of the tax increments generated within their TIF areas in order to jointly finance or refinance one or more economic development projects located within their TIF areas. **Enrolled**

**HSR 4 (Mills)** Requests House Ways & Means and Health & Welfare committees to study effects of local taxation of pre-



scription drugs in outpatient setting. **Approved**

## **Occupational & Insurance Premium Tax**

**SB 321 (Quinn)** – IPT: Provides for the evidence by which certificates of deposits and cash deposits may show that they are “qualifying Louisiana investments” for purposes of reducing insurance premium tax. **Senate: Passed House: Ways & Means Passed, Returned to Calendar**

**SB 707 (Alario)** – OLT: definition of contractor to include oil field –related fabrication and services, construction and fabrication of t/p/p, movable and immovable, in parishes with a population between 450,000-480,000. **Enrolled**

## **Administrative**

**HB 605 (Ellington)** – Authorizes a taxpayer to recover attorney fees under certain circumstances. **No Action (but see HB 666)**

**HB 666 (Nowlin)** – Authorizes local collector or taxpayer to recover attorney fees under certain circumstances. **Enrolled**

**HB 667 (Nowlin)** – Defines arbitrary assessment and provides for taxpayer to recover costs related to arbitrary tax assessments. **Enrolled**

**HB 680 (Leger)** – Requires local ad valorem collectors and others who collect taxes on behalf of others to have the tax collection and distribution fund audited annually and submit certain sworn statements regarding tax collections to the legislative auditor. **Enrolled**

**HB 769 (Pugh)** – Provides relative to the confidentiality of certain records. **No Action**

**HB 845 (Nowlin)** – Provides relative to requirements for private contracts with agencies or firms for the collection of local sales and use tax, record retention and other matters. **Enrolled**

**HB 924 (Smiley)** – Creates and provides for Tax Court as an administrative agency in the office of governor. **No action**

**HB 1226 (Smiley)** Provides for abolition of certain boards and commissions. Amended to exclude URRAC. **Enrolled**

**HB 1270 (Greene)** – Prohibits suspension or interruption of prescription under certain circumstances. **No action**

**SB 186 (Gautreaux)** – To provide that no tax by a local governing authority may be passed unless 1/3 of the registered voters vote in the election. **No action**

**SB 458 (Gautreaux)** – Removes the requirement that all non-resident contractors with contracts over \$3000 must register with the Department of Revenue and provide surety and a final accounting for state and local taxes and instead gives the Department the discretion to require by rule such registration, surety, and accounting for contracts of more than \$50,000. **Withdrawn**

**SB 567 (Morrish)** – Provides for taxpayer option for arbitration of certain assessments and refund denials, provides for arbitration procedure, provides for appeals of arbitration decisions. Adds optional local exemption for commercial fisherman. **Enrolled**

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## **Local Only**

**HB 538 (Burford)** – Authorizes the governing authority of the city of Mansfield to levy and collect a hotel occupancy tax subject to voter approval. **Enrolled**

**HB 654 (Abramson)** – Establishes the Greater New Orleans Biosciences Economic Development District Tax Rebate Program in Jefferson and Orleans parishes. **No Action**

**SB 25 (Crowe)** – Exempts from local sales and occupancy tax in St. Tammany Parish agreements to furnish for a period of 30 days or longer an accommodation, space, or lot which is in an overnight camping facility or trailer park. **Senate: Passed**  
**House: Ways & Means: No Action**

Green= Favorable    Red= Opposed    Black = Neutral, or Local Jurisdiction Only

# PRESIDENT'S CORNER

LATA Members:

I would like to personally thank each and every one of you for attending the first and second quarter conferences of the LATA for 2010. We have had great registration numbers of 148 in Covington and 138 in Morgan City. Your continued support of this organization speaks volumes as we strive to present informational meetings and networking opportunities to assist you in the administration of sales, use, occupational and ad valorem taxes for your various offices. My thanks and gratitude to the St. Tammany Parish Sheriff's Office Sales & Use Tax Department and the St. Mary Parish Sales & Use Tax Department for agreeing to host the first two conferences. They worked very hard to make sure the venues, food and entertainment would appropriately accommodate the needs of LATA. I must also thank our Vice President Mark West, who is responsible for the agenda and program for the conferences.

I have presided over four LATA Board of Director Meetings and have made attempts to sit in on all committee meetings during the quarterly conferences. During the 2010 Legislative Session, I was present to support our Executive Director and Legislative Committee as they worked on our behalf to ensure our rights were protected as local tax administrators and collectors. I also represent LATA on the Executive Board of Directors of the Louisiana Municipal Association and have attended all meetings as scheduled. Holding a seat on this board has given me a new perspective of issues that affect local governments outside of the sales and use tax realm.

As we embark upon the second half of this year, I would like everyone to get involved and remain active with LATA. **If you have not signed up for a committee, it's not too late!** Please feel free to contact me at [mnogess@stjames.k12.la.us](mailto:mnogess@stjames.k12.la.us). I will forward your name to the respective committee chairman and they in turn will contact you regarding future meetings.

Our 3<sup>rd</sup> quarter conference will be held at the Diamond Jacks Casino in Bossier City, LA and the 44<sup>th</sup> annual conference will be held at the Astor Crowne Plaza Hotel in New Orleans, LA (Corner of Canal & Bourbon). **Speaking of the 44<sup>th</sup> Annual Conference...I am seeking LATA members to assist with the planning and execution of this conference.** As some of you may know, I have a very small staff (3 people including myself). To carry out this task effectively, I have created committees which will work on specific portions of the conference:

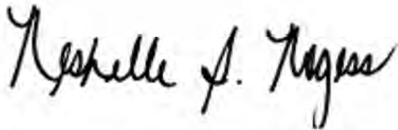
<u>Committee</u>	<u>Co-Chairmen</u>
1. Registration & Donations	Melinda Roberts & Sheila Fisher (St. James Staff)
2. Program / Agenda	Ron Carter & Neshelle Nogess (Pres. Elect & Pres.)
3. Activities & Entertainment	TBA

- 4. Gifts & Souvenirs TBA
- Hospitality TBA

If you are interested in signing up for any of these committees or assisting in any way, please contact me at [nnogess@stjames.k12.la.us](mailto:nnogess@stjames.k12.la.us) or by phone at (225) 869-8845 no later than August 31, 2010. Additionally, if you have speakers / topics you would like to recommend for the program agenda, please forward that information to both me and Ron Carter at [mpstc@bellsouth.net](mailto:mpstc@bellsouth.net).

I would like to close by stating that it is indeed an honor and privilege to serve as your President. Thanks to the LATA Board of Directors and members for your continued support of my term through emails, phone calls, and well wishes.

With Warm Regards,



Neshelle S. Nogess, 2010 President  
Louisiana Association of Tax Administrators

### MEMBERSHIP INVITATION AND APPLICATION

Name \_\_\_\_\_ Title \_\_\_\_\_

Representative of \_\_\_\_\_ Dept/Div \_\_\_\_\_

Mailing Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Phone \_\_\_\_\_ Fax \_\_\_\_\_ E-Mail \_\_\_\_\_

**Annual Dues: \$150.00 (Government Employees)**  
**\$125.00 (Business/Industry Representatives)**

Please make checks payable to:  
Louisiana Association of Tax Administrators  
P.O. Box 398, Vidalia, Louisiana 71373



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