

Revenue Information Bulletin No. 18-006
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Sales Tax

**Certain Remote Retailers Required to Send Notifications to Louisiana Purchasers
and File Annual Statement(s) with the Louisiana Department of Revenue**

Louisiana Revised Statute 47:309.1¹ requires remote retailers to notify a purchaser that an online purchase of tangible personal property and taxable services is subject to Louisiana use tax unless specifically exempt.

Definition of a Remote Retailer

A remote retailer is a retailer who purposefully avails itself of the economic market in Louisiana or who has any other minimum contact with the state and who meets all of the following criteria:

- Not required by applicable law, ordinance, or regulation to register as a dealer in Louisiana, and thus is not otherwise required to collect Louisiana sales and use taxes.
- Makes retail sales of tangible personal property or taxable services where the property is delivered into Louisiana or the beneficial use of the service occurs in Louisiana, and the cumulative annual gross receipts for the retailer and its affiliates from those sales exceeds fifty thousand dollars (\$50,000) per calendar year.
- Does not collect and remit Louisiana sales and use tax with respect to their retail sales in this state, including the tax imposed under R.S. 47:302(K).

Notification to be Sent to a Purchaser by a Remote Retailer

At the time of sale, the remote retailer must notify the Louisiana purchaser that the purchase is subject to Louisiana use tax unless it is specifically exempt. The remote retailer must also notify the Louisiana purchaser that there is no exemption specifically based on the fact that a purchase is made over the internet, by catalog, or by other remote means. By January 31st of each year, a remote retailer shall send to each Louisiana purchaser who purchased property or services from the retailer in the immediately preceding calendar year an annual notice containing the following:

- Total amount paid by the purchaser for purchases in that preceding calendar year;
- Listing of the dates and amounts of purchases, if available;
- Whether the property or service is exempt from sales and use taxes, if known by the retailer;
- Clearly disclose the name of the retailer; and

¹Act 569 of the 2016 Regular Session of the Louisiana Legislature amended La. R.S. 47:309.1 to add the remote retailer provisions. The effective date of Act 569 is July 1, 2017.

- A clear statement that Louisiana use tax may be due on the purchases made from the retailer and that Louisiana law requires the payment of an individual's use tax liability on the individual income tax return or the Consumer Use Tax Return ([R-1035](#)).

The notification shall be sent by first class mail or certified mail. Alternatively, the notification may be sent electronically if the purchaser authorizes the remote retailer in writing or through other documented means. The notification shall not be included with any other shipment or mailing from the remote retailer. The exterior of the envelope in which the notice is sent shall include the words "IMPORTANT TAX DOCUMENT ENCLOSED". Remote retailers must send notifications to Louisiana purchasers by January 31st of each year. The first notification must be sent to Louisiana purchasers by January 31, 2018, and by January 31 each year thereafter. If a purchaser opts to receive the notification electronically from a remote retailer, then the subject line of the email from the remote retailer must include the words "IMPORTANT TAX DOCUMENT ENCLOSED".

Annual Statements to be Filed with the Department by a Remote Retailer

By March 1st of each year, a remote retailer, who made retail sales of tangible personal property or taxable services to Louisiana purchasers in the immediately preceding calendar year, shall file with the Louisiana Department of Revenue (hereafter "Department") an annual statement for each purchaser. The annual statement must include the total amount paid by the purchaser to that retailer in the preceding calendar year. Under no circumstances shall the statement contain detail as to specific property or services purchased, but the statement shall include the total amount paid.

Remote retailers with annual sales in Louisiana in excess of \$100,000 for the preceding calendar year are required to file the annual statement electronically using the Louisiana Taxpayer Access Point (LaTAP). To access LaTAP, visit the Department's website at www.revenue.louisiana.gov.

Remote retailers with annual sales in Louisiana in the amount of \$100,000 or less for the preceding year may use the Remote Retailers Annual Statement (R-1116) to report their Louisiana sales. The report may be submitted via email to LDR.RemoteRetailer@la.gov or mailed to the following address:

Louisiana Department of Revenue
Taxpayer Compliance - SSEW
P.O. Box 66362
Baton Rouge, LA 70896-6362

The Department encourages all remote retailers, regardless of the amount of annual sales in Louisiana, to file the annual statement through the LaTAP system.

The first annual statement must be filed with the Department by March 1, 2018. Thereafter, remote retailers must file their annual statements with the Department by March 1st of each year.

Louisiana Revised Statute 47:309.1(E) provides that the Department may, by subpoena, compel witnesses and the production of documents for purposes of enforcement relative to the required notices and annual statements concerning taxable transactions occurring in Louisiana involving a

remote retailer. If a remote retailer fails to respond to the subpoena, then the Department may seek to enforce the subpoena with a court order.

Questions concerning this publication can be directed to sales.inquiries@la.gov.

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Secretary