



State of Louisiana

DIVISION OF ADMINISTRATION

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BUDDY ROEMER
GOVERNOR

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Office of Statewide Reporting
and Accounting Policy

DENNIS STINE
COMMISSIONER

Johnnie Lockett
Acting Director
(504) 342-0708

March 21, 1991

MEMORANDUM SA 91-27

TO: Fiscal Officers of All State Agencies
FROM: Johnnie Lockett *JL*
SUBJECT: Payment of Local Sales and Use Tax

This memorandum is to advise you that on March 15, 1991, Mr. Stine, Commissioner of Administration, distributed a memorandum to all Department Secretaries, Elected Officials, Boards and Commissions which suspended his November 26, 1991 memorandum concerning the payment of local sales and use tax. In short, based on a Louisiana Supreme Court decision, local units of governments are constitutionally prohibited from exercising authority over the state - including the imposition of taxes. Therefore, effective immediately, state agencies should not pay local taxes until further notice.

Attached for your information is a copy of Mr. Stine's March 15, 1991 and November 26, 1991 memorandums.

JL:pw

cc: Whit Kling

COPIES TO: ED GAUTIER ✓
DIANE SINGLETARY
ANGIE ARNONE
KATHY LEWIS




BUDDY ROEMER
GOVERNOR

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DENNIS STINE
COMMISSIONER

M E M O R A N D U M

TO: DEPARTMENT SECRETARIES, ELECTED OFFICIALS,
BOARDS AND COMMISSIONS

FROM: DENNIS STINE 
COMMISSIONER OF ADMINISTRATION

DATE: MARCH 15, 1991

RE: PAYMENT OF LOCAL SALES AND USE TAX

By memorandum dated November 26, 1990, I distributed Attorney General Opinion Number 90-245A which, among other things, advised me that "the state and its agencies are not exempt from parochial and local sales taxes."

In reliance therewith, I directed you to take the necessary action to comply with the findings of that opinion. However, it appears that there exist a difference of opinion in this area.

I have been advised that in City of New Orleans v. The Board of Commissioners of the Port of New Orleans, 229 So.2d 69 (La. 1969), the Louisiana Supreme Court held that local units of governments are constitutionally prohibited from exercising authority over the state, which includes the imposition of taxes.

In light of this information, I am immediately suspending my November 26, 1990 memorandum, and advise you to discontinue paying local taxes until this issue can be resolved.

I will inform you of the ultimate resolution of this matter.



BUDDY ROEMER
GOVERNOR

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DENNIS STINE
COMMISSIONER

MEMORANDUM

TO: Department Secretaries, Elected Officials,
~~Boards and Commissions~~

FROM: Dennis Stine *Dennis Stine*
Commissioner of Administration

DATE: November 26, 1990

RE: Payment of State and Local Sales and Use Tax

Attached for your information, is Attorney General Opinion Number 90-245A regarding:

- A. the payment of state and local sales and use taxes by state agencies, and
- B. the payment of state sales taxes by local governmental entities.

Quite simply, the opinion states three facts:

- (1) that state agencies are required to pay assessed local governmental entity sales and use taxes,
- (2) that state agencies are required to pay the 3¢ state sales and use tax and
- (3) that due to Act 386 of 1990 which suspends the ~~exemption afforded under L.R.S. 47:305.29~~, that local governmental entities are now subject to the payment of state sales and use tax through June 30, 1991.

All state agencies, boards and commissions should immediately take those steps necessary to implement the aforementioned stated provisions with regard to payment of state and local sales and use taxes.

DS/WJK/sm

Attachment