Assessment Procedures and Taxpayer Rights

I. Pre-Assessment
   A. Taxpayer is provided exhibit and schedules by the examiner detailing additional taxes due or overpaid.
   B. Taxpayer may be granted reasonable amount of time by the examiner to review examination findings.
   C. Taxpayer may also be granted additional time to review findings by the Collector if reasonable and pertinent.

II. Notice of Intent to Assess
   A. Taxpayer is issued billing for the examination deficiency, interest, and penalty, if any.

   B. Taxpayer may respond within 30 days (15 days if propsed due to failure to file a return) of notice date in one of three ways:
      (1) If in agreement with findings, pay the proposed assessment;
      (2) pay under protest in accordance with R.S. 47:337.63, and then either submit a protest in writing to this Department fully disclosing the reasons, together with facts and figures in substantiation thereof, for objecting to this Department's determination, and request a hearing this Department in accordance with LA R.S. 47:337.49.

   C. The Collector may consider any protest filed and may modify the proposed assessment, as to errors of fact or law.

III. Notice of Assessment and Right of Appeal
   A. At the end of the 30-day period, or upon the expiration of any extensions granted, the Collector will proceed to formally assess the tax, interest, and penalty, if any.

   B. The taxpayer must respond within 30 days of the date of the notice in one of the following ways:
      (1) Pay the amount of the assessment;
      (2) appeal to the Louisiana Board of Tax Appeals for redetermination of the assesssment; or
      (3) pay under protest in accordance with R.S. 47:337.63 and then either file suit or file a petition with the Louisiana Board of Tax Appeals, as as provided for in that section.

IV. Subsequent Legal Action
   A. Following the end of the 30-day assessment period, and no response being received, the assessment becomes final and may be collected by distraint and sale of taxpayer assets.

   B. In addition to distraint, the Collector may at any time seek collection through ordinary suit or summary judgment in a court of competent jurisdiction.

V. Interest and Penalties

   A. Taxes are due and payable on the 1st day of the month following the report period in which the taxable transaction occurs and are considered to be delinquent when transmitted after the 20th day of the due month. Interest on delinquent taxes is computed from the due date (1st) until paid at a monthly (or fraction there-of) rate of fifteen percent (15%).

   B. A return becomes delinquent on the 21st day of the month following the transaction month . If the return is filed late, a delinquent penalty of 5 percent (5%) of the tax due for each 30 days (or fraction there-of) of delinquency is assessed, not to exceed 25 percent (25%) in the aggregate. For example, a return for the month of March 2004 would be subject to a 5% penalty if transmitted on or after the 21st day of April, and incur an additional 5% penalty on any unpaid tax due amount on May 1, 2004.

   C. Interest on refunds and overpayments accrues at the rate of two percent (2%) per annum from the period paid to the date the claim is filed, and continues at that rate for an additional sixty days. Any refundable amounts thereafter shall accrue interest at the legal judicial rate prescribed by law.

   D. The Collector has some discretionary authority to waive penalty when the deficiency is not the result of intentional disregard of the tax ordinances but for reasons set forth by the taxpayer and acceptable to the Collector.

   E. In cases where returns are not filed, or are false, fraudulent, or grossly incorrect, a negligence penalty of five percent (5%) of the tax is applied. Also in such cases, the examination and other costs incurred will be added to the amounts due subject to the limitations provided for in RS 47:337.26. In the event legal services are required to affect a collection of any tax, interest, or penalty due, attorney's fees in the amount of 10% of the aggregate due may be imposed and collected.