



LOUISIANA DEPARTMENT OF REVENUE EXPANDS LIST OF TAXES CONSIDERED BY AUDIT PROTEST BUREAU

On February 15, 2011, the Louisiana Department of Revenue announced that its Audit Protest Bureau (the “APB”) has expanded the list of taxes it will consider as part of its audit dispute resolution services. Effective February 15, 2011, the APB will now consider protest applications regarding all types of taxes. Previously, the APB was only hearing audit assessment protests related to sales tax (since July 1, 2010) and income tax (since January 5, 2011).

The APB is organized under the Office of the Secretary of Revenue and is tasked to bring a “fair and impartial” resolution to tax controversies that derive from an audit. The Department contends that the APB brings a new level of independence and scope to how the Department handles audit protests.

According to the Department, the audit protest process works in three steps:

1. After a proposed tax assessment is issued but *before* formal assessments, the APB will have jurisdictional control of the audit protest process;
2. Taxpayers wishing to dispute an assessment *must* file a protest with the APB *within 30 days* of the date of the proposed assessment;
3. The APB will then determine the facts, identify unresolved issues, and issue a written determination.

The APB has made clear the requirement that a taxpayer will lose its right to appeal to the APB if the protest petition is not properly filed with the APB within 30 days of the date of the proposed assessment. Therefore, we recommend that taxpayers interested in having the audit protest heard before the APB be certain to file the protest petition within 30 days of the date of the notice of proposed assessment.

The APB’s *protest petition form* can be found [here](#).

Additional information from the Department about the APB can be found [here](#).

Jones Walker Practice Commentary

While the expansion of the APB to additional types of taxes is encouraging for the continued development of the Department’s administrative dispute resolution process, the jury is still out. To ensure the success of the APB, it will be critical for the APB to continue to operate independently, as well as implement all rules uniformly to both taxpayers and the Department. Taxpayers should continue to approach the APB with optimism and caution.

Taxpayers and their representatives should also remain aware that there have been no statutory changes to any of the administrative procedures statutes. Thus, existing rules regarding prescription, responses to formal assessments, and payments under protest still apply. If the APB process does not lead to a resolution of a particular matter at the administrative level, existing procedural rules will apply, thereby requiring taxpayers to take the necessary procedural steps (such as prescription waivers, etc.) to properly protect their interests.



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If you have any questions or would like additional information about the Department's Audit Protest Bureau, please feel free to contact [William M. Backstrom, Jr.](#), [Jesse R. Adams, III](#), [Andre B. Burvant](#), [Kimberly Lewis Robinson](#), or any other member of the Jones Walker State & Local Tax Team.



Remember that these legal principles may change and vary widely in their application to specific factual circumstances. You should consult with counsel about your individual circumstances. For further information regarding these issues, contact:

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