Louisiana Department of Public Safety  
Office of Motor Vehicles  
Policy 47.04 Vendors Compensation Allowed for the Collection of Sales / Use Tax

Section: 4. Motor Vehicle Registration Requirements  
Effective Date: 02/24/1994  
Revised Date: 05/11/2016

Authority:  
R.S. 47:301 (4)  
R.S. 47:306 A (3)  
To view Louisiana Statutes: http://www.legis.state.la.us/

General:  
- Each dealer shall be allowed a reduction of 0.935% of the amount of tax due provided the payment is remitted timely.  
- A dealer includes every person who manufactures or produces tangible personal property for sale at retail, for use, or consumption, distribution, or for storage to be used or consumed in a taxing jurisdiction.

Requirements:  
- The vendors compensation shall be allowed only if the payment of the taxes is remitted timely.

Procedure:  
- Credit is calculated by multiplying the tax due by the percentage of vendors compensation allowed. Credits are calculated separately for state, parish, and municipality taxes.  
  - Vendors compensation is allowed on any dealer file in which penalty and interest are not due on the sales/use tax.  
  - Files processed with a tax date prior to July 1, 2013 shall be allowed a state vendors compensation rate of 1.1%.  
  - Files processed with a tax date on or after July 1, 2013 shall be allowed a state vendors compensation rate of .935%  
  - Files processed with a DAQ/tax date on or after April 01, 2016 shall only be allowed parish and municipality vendors' compensation. The credit varies accordingly.  
- Note: The tax date is defined as the purchase date of the vehicle or the date the vehicle was brought into the state.