



Louisiana Office of Alcohol and Tobacco Control
Ernest Legier, Commissioner

CBD RETAIL DEALER PERMIT APPLICATION PACKET

Who must complete an application?

Each person, including an individual or legal entity, who intends to sell or is about to engage in the business of selling at retail any industrial hemp derived CBD products shall first apply for and obtain a permit for each place of business from the Louisiana Office of Alcohol and Tobacco Control (“ATC”).

Permit Fees

A permit is required for each place of business. Each place of business shall include a business physical storefront location and/or each individually registered domain name owned or leased by the remote seller business.

- \$175.00 per year – CBD Retail Dealer – per each physical storefront location.
- \$175.00 per year – Remote Seller Dealer Permit – per each individually registered domain name
- \$175.00 – Annual Special Event Permit (must be held in conjunction with CBD Dealer or Remote Seller Permit)

All permits are valid for up to one (1) year and expires annually on March 31st.

Types of CBD Retail Dealer Permit

- CBD Retail Dealer Permit** – may be issued to any person or legal entity who as a business offers for retail sale or sale at retail any industrial hemp derived CBD products at each physical place of business or storefront.
- CBD Remote Seller Permit** – may be issued to any person or entity who offers any industrial hemp derived CBD products for sale at retail through digital application, catalog, internet, or online that can be purchased and delivered directly to consumers in Louisiana via common carrier or through the mail.
- CBD Annual Special Event Permit** – may be issued to any CBD Retail Dealer or CBD Remote Seller who intends to offer CBD products for retail sale at events held at any location other than permittee’s place of business. Annual Special event permits shall be issued in conjunction with permittees’ retail permit. Permittee will be required to notify ATC in writing at least seven (7) days prior to the event. Failure to notify may result in revocation of permit.

General Definitions

“CBD” means cannabidiol.

“Industrial Hemp” means the plant Cannabis Sativa L. and any part of such plant including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with no more than the federally defined THC level for hemp.

“Industrial Hemp derived CBD products” means any industrial hemp derived product that contains CBD intended for consumption or topical use.

“Remote Seller” means a person or entity who offers any industrial hemp derived CBD products for sale at retail, or for any transaction of products in lieu of a sale, through a digital application, catalog, or the internet, that can be purchased and delivered directly to a consumer in Louisiana.

“Retail Sale or sale at retail” means the sale or any transaction in lieu of a sale of products to the public for use or consumption but does not include the sale or any transaction in lieu of a sale of products for resale.

“State plan” means a plan required for approval by the United States Secretary of Agriculture to monitor and regulate the production of hemp.

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General Information

- No industrial hemp derived CBD products shall be sold to any person under the age of eighteen (18).
- Effective January 1, 2020, an excise tax of three (3%) percent of the retail sales price is due upon each retail sale of industrial hemp derived CBD products within the state of Louisiana. The CBD tax is an excise tax imposed on and owed directly by the retailer and is in addition to all other taxes. The CBD tax is not collected from retail customers. For additional details, please contact the Louisiana Department of Revenue at 855-307-3893, option 2 then 1 or through email to excise.inquiries@la.gov. See attached bulletin for additional information.
- It is **prohibited** for any person to process or sell the following:
 - (1) any part of the hemp plant or any hemp derived CBD products for inhalation, except for hemp rolling paper;
 - (2) any alcoholic beverage containing hemp or CBD; and
 - (3) any food or beverage products containing hemp or CBD unless the FDA approves CBD as a food additive.
 - (4) any CBD product derived from any source other than hemp.
- Any CBD product that is manufactured, distributed, imported, or sold for use in Louisiana shall (1) be produced from hemp grown by a licensee authorized to grow hemp by the USDA or under an approved state plan; (2) shall be registered with Louisiana Department of Health (“LDH”) and receive label approval; (3) not be marketed as a dietary supplement; and (4) not contain any active pharmaceutical ingredient recognized by FDA.



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CBD RETAIL DEALER PERMIT APPLICATION

CHECKLIST OF ITEMS TO SUBMIT WITH APPLICATION

- Completed application. All questions must be completed or may result in delays in your application process. Incomplete application may result in denial.
- Submit Corporate Documents

Partnerships

LLCs

Corporations

Attach Partnership Agreement

Organization registration with Secretary of State

Corporate documents and registration with Secretary of State

- Attach a color copy of each owner's driver's license or identification card.
- Provide proof business is authorized to do business in Louisiana and registered with the Louisiana Secretary of State.
- Provide proof of Louisiana Tax Certificate.
 - If business is located in Louisiana or has a physical presence within Louisiana, please submit proof of Louisiana General sales tax certificate.
 - If business is located outside Louisiana and has no presence in Louisiana, provide proof of Remote Seller certificate.
- At time of renewal, Permittee will be required to submit proof of Louisiana Excise Tax account as per La. R.S. 47:1693.
- Application must be signed by an authorized representative of the business listed in application. Authorized representative includes sole proprietor, duly authorized agent, partner, officer, member, or director.
- Submit all applicable fees. For additional details, see permit fees section.

Revenue Information Bulletin No. 19-024
December 18, 2019

Industrial Hemp-Derived CBD Tax

Act 247 of the 2019 Regular Session of the Legislature (“Act”), which enacted LA R.S. 47:1692 through 1696, became effective on August 1, 2019, and applies to tax periods beginning on or after January 1, 2020. The purpose of this bulletin is to summarize the imposition of the industrial hemp-derived Cannabidiol tax (“CBD tax”).

Beginning January 1, 2020, an excise tax of three percent of the retail sales price is due upon each retail sale of industrial hemp-derived CBD products within the state. The CBD tax is an excise tax imposed on and owed directly by the retailer and is in addition to all other taxes. The CBD tax is not collected from retail customers. However, state and local sales taxes are also applicable to retail sales of industrial hemp-derived CBD products and should be collected from retail customers. Any person who imports industrial hemp-derived CBD products for use or consumption (rather than for resale) is considered a retailer and is liable for the CBD tax. Retailers should note that LA R.S. 3:1483 requires that persons who sell or will sell, at retail, any industrial hemp-derived CBD product must first apply for and obtain a permit from the Office of Alcohol and Tobacco Control.

An industrial hemp-derived CBD product is any industrial hemp-derived product that contains CBD intended for consumption or topical use. Industrial hemp means the plant *Cannabis sativa* and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis, and cultivated and processed in accordance with the United States Agriculture Improvement Act of 2018, P.L. 115-334, or the plan submitted by the Louisiana Department of Agriculture and Forestry that is in compliance with the U.S. Department of Agriculture rules. Industrial hemp does not include plants of the Genus *Cannabis* that meet the definition of "marijuana" as defined in R.S. 40:961.

Sales of industrial hemp-derived CBD products for further processing into a product produced in accordance with R.S. 40:1046 (marijuana for therapeutic use) is not a retail sale for purposes of this tax. Additionally, any product recommended in accordance with LA R.S. 40:1046 and any CBD product approved as a prescription medication by the United States Food and Drug Administration is not subject to the industrial hemp-derived CBD tax.

LA R.S. 3:1482 prohibits the sale of (1) any part of hemp for inhalation, (2) any alcoholic beverage containing CBD or (3) any food product or beverage containing CBD unless the United States Food and Drug Administration approves CBD as a food additive in Louisiana. However, because the definition of industrial hemp-derived CBD products includes products intended for

consumption, in the event any such prohibited products are sold in Louisiana, the CBD tax is due and must be paid.

Retailers must report and remit the CBD tax on a monthly basis. The Louisiana Department of Revenue (“LDR”) has issued a Notice of Intent to adopt regulations that will require electronic filing of CBD tax returns and payments. LDR anticipates publication of the final regulations in the December 2019 Louisiana Register. The CBD tax return will be available in Louisiana Taxpayer Access Point (“LaTAP”) on January 1, 2020. The first taxable period is January 1 through January 31, 2020, and the return for that month is due on or before February 20, 2020.

Returns and payments will be submitted electronically through LaTAP. Taxpayers should visit www.revenue.louisiana.gov/LaTAP to create a LaTAP account. Taxpayers who do not have an LDR account number can register for a business account on the LaTAP site. Please note that a LaTAP account can be created now based on other applicable tax types such as sales and withholding, but the CBD tax type account will not be available until December 23, 2019. Taxpayers should log into LaTAP to add the CBD tax account on or after that date. For assistance registering your business or creating a LaTAP account, please visit www.revenue.louisiana.gov/FAQ and select “LaTAP”.

Questions concerning this Revenue Information Bulletin should be directed to LDR’s Taxpayer Compliance Excise Tax Unit by telephone at 855-307-3893, option 2 then 1, or through email to Excise.Inquiries@la.gov.

Kimberly Lewis Robinson
Secretary

**Remote Sellers Information Bulletin No. 20-002
May 7, 2020**

**Effective Date for Remote Seller Registration and
Collection of State and Local Sales and Use Tax at Actual Rates**

The purpose of this bulletin is to announce the date remote sellers are required to register with the Louisiana Sales and Use Tax Commission for Remote Sellers (“Commission”) as required by LA R.S. 47:340(G)(6)(b)¹ and to provide related information.

Public Notice Statement

Pursuant to the authority of Chapter 2-E of Subtitle II of Title 47 of the Louisiana Revised Statutes of 1950, as amended, public notice is hereby given that remote sellers are required to register with the Commission effective July 1, 2020. No later than 30 calendar days after meeting the economic nexus thresholds of LA R.S. 47:301(4)(m)(i), remote sellers shall submit an application to the Commission for approval to collect state and local sales and use tax on remote sales for delivery into Louisiana. Remote sellers shall commence collection of state and local sales and use tax at actual rates and bases, once notified the Commission has approved the application, no later than 60 days after surpassing either of the criteria of LA R.S. 47:301(4)(m)(i).

As provided by LAC 61.III.1537 and 1538, the applications, tax returns, and remittances must be filed and paid electronically to the Commission.

Economic Nexus Thresholds

Louisiana’s economic nexus thresholds are established based on the following criteria:

1. The person's gross revenue for sales delivered into Louisiana has exceeded one hundred thousand dollars from sales of tangible personal property, products transferred electronically, or services; or
2. The person sold for delivery into Louisiana tangible personal property, products transferred electronically, or services in two hundred or more separate transactions.

¹ As required by statute, this bulletin is published in accordance with LAC 61:III.101 and LAC 61:III.2903.

Existing Direct Marketers

As provided by LA R.S. 47:302(W), direct marketers were allowed, on a voluntary basis, to collect and remit at the statutory 8.45% rate until the Commission enforces registration, collection, and remittance of state and local sales and use tax based on the applicable state and local rates and bases. Later this month, direct marketers will receive correspondence from the Louisiana Department of Revenue (“Department”) and the Commission explaining the streamlined, transition process with step by step details. No action is required until those direct marketers receive this correspondence.

Direct marketers who do not meet the economic nexus thresholds may continue to collect at the 8.45% and remit the tax to the Department. The Department will continue to remit such funds to the state general fund and local governments in accordance with LA R.S. 47:302(K).

Status of Commission as Tax Collector

The Commission will serve as the tax collecting entity for the benefit of state and local taxing jurisdictions. It will serve as the central, single agency to which remote sellers shall make state and local sales and use tax remittances.

The Commission is nearing completion of its software system and related guidance. The system will be functional no later than July 1, 2020, and related guidance will be issued over the next several months to better assist remote sellers in complying with existing Louisiana law.

Pending Legislation

Senate Bill 138 (RS2020) is under consideration by the Louisiana Legislature. If enacted, the bill would define and require marketplace facilitators to collect and remit sales tax at the actual state and local sales and use tax rates and bases to the Commission. Marketplace facilitators should be aware of this proposed legislation and a potential amendment that would change the applicability date to July 1, 2020, which mirrors the date discussed above.

Questions concerning this publication may be directed to LARemoteSellersCommission@la.gov.

Kressynda Krennerich
Chairman
Louisiana Sales and Use Tax Commission for Remote Sellers



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NOTICE TO APPLICANT: Misstatement or Suppression of material facts in this application is **GROUNDS FOR DENIAL** or **REVOCAION** of any permit(s) issued thereafter. Additionally, filing false public records is a violation of Louisiana Revised Statute 14:133 and may result in imprisonment for not more than five (5) years with or without hard labor and/or fines of not more than \$5000.00.

Select **ALL** applicable permit classification:

- CBD Retail Dealer Permit – check if business operates a storefront location
- CBD Remote Seller Permit – check if business offers online sales through a website or similar means
- CBD Annual Special Event Permit – check if business intends to operate at other events

Business Information	
1. Type of Ownership: <input type="checkbox"/> Individual <input type="checkbox"/> Corporation <input type="checkbox"/> Limited Liability Company <input type="checkbox"/> Partnership	
2. Applicant Legal Name: (Name of individual, partnership, LLC, or Corporation)	
3. Trade Name (Doing business as “DBA”):	
4. Official Mailing Address:	
5. Primary Business Email Address:	
6. Business Phone Number:	7. Cell Number:
8. Federal Employee Identification No. (FEIN)	9. Louisiana State Identification No.
10. Does Business consent to receive ATC communications, administrative notices, and/or administrative decisions in electronic format via email? If YES, provide email:	
	<input type="checkbox"/> YES <input type="checkbox"/> NO

Ownership Information				
Name	Title	Date of Birth	SSN	% of Ownership

Physical Location Information	
11. Does Applicant operate a physical storefront location in Louisiana? If “YES,” provide below the physical address of the storefront below. Address: City: State: Zip Code:	<input type="checkbox"/> YES <input type="checkbox"/> NO
12. Does Applicant understand that it is prohibited for any industrial hemp CBD products to be sold to any person under the age of eighteen (18)?	<input type="checkbox"/> YES <input type="checkbox"/> NO



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Internet or Online Sales	
13. Does Applicant intend to offer CBD products for sale at retail through online, digital application, catalog, or the internet? If no, skip to the next section.	<input type="checkbox"/> YES <input type="checkbox"/> NO
14. Provide below the website, online internet site, digital application or catalog that business intends to offer CBD products for retail sale.	
15. Does Applicant understand that it is prohibited for any industrial hemp CBD products to be sold to any person under the age of eighteen (18)?	<input type="checkbox"/> YES <input type="checkbox"/> NO
16. Does applicant understand that prior to the sale of CBD products, seller must verify that the consumer's age is eighteen (18) years of age or older?	<input type="checkbox"/> YES <input type="checkbox"/> NO
17. How does Applicant intend to verify consumer's age prior to sale of CBD products? Provide an explanation.	<input type="checkbox"/> Electronic <input type="checkbox"/> Written
18. Does applicant understand that business shall maintain records related to age verification related to all orders fulfilled by mailing or shipping?	<input type="checkbox"/> YES <input type="checkbox"/> NO

Annual Special Event	
19. Does Applicant intend to offer for retail sale CBD products at events held at any location other than business permitted location including online or storefront sales? If No, skip to next section.	<input type="checkbox"/> YES <input type="checkbox"/> NO
20. Does Applicant understand that business must maintain a valid CBD retail permit or CBD remote seller permit with ATC to qualify for an annual CBD special event permit?	<input type="checkbox"/> YES <input type="checkbox"/> NO
21. Does Applicant understand business shall be required to notify ATC in writing at least one week prior to the date of event?	<input type="checkbox"/> YES <input type="checkbox"/> NO
22. Does Applicant understand that written notification of event must include the date, time, and place of the special event?	<input type="checkbox"/> YES <input type="checkbox"/> NO
23. Does Applicant understand that the annual CBD special event permit must be displayed on the premise of the event?	<input type="checkbox"/> YES <input type="checkbox"/> NO

CBD Taxes	
24. Does Applicant understand that as of January 1, 2020, an excise tax of three (3%) percent of the retail sales price is due upon each retail sale of industrial hemp derived CBD products within Louisiana?	<input type="checkbox"/> YES <input type="checkbox"/> NO
25. Does Applicant understand state and local sales taxes are also applicable to retail sales of industrial hemp derived CBD products and should be collected from retail customers?	<input type="checkbox"/> YES <input type="checkbox"/> NO
26. Does Applicant understand that CBD tax returns must be reported and remitted electronically through LATAP on a monthly basis to LDR?	<input type="checkbox"/> YES <input type="checkbox"/> NO
27. Does Applicant understand that failure to timely file returns or pay taxes as required by R.S. 47:1693 may result in an immediate suspension or revocation of business permit until returns are filed and remitted?	<input type="checkbox"/> YES <input type="checkbox"/> NO

CBD Products	
28. Applicant attests that it shall only sell or offer for sale CBD products produced by hemp that is grown in accordance with federal and state law.	<input type="checkbox"/> YES <input type="checkbox"/> NO
29. Applicant attests that it shall not sell or offer for sale any part of the hemp intended for inhalation, unless otherwise allowed by law.	<input type="checkbox"/> YES <input type="checkbox"/> NO
30. Applicant attests that it shall not sell or offer for sale any alcoholic beverage containing CBD.	<input type="checkbox"/> YES <input type="checkbox"/> NO
31. Applicant attests that it shall not sell or offer for sale any food product or beverages containing CBD unless FDA approved as a food additive.	<input type="checkbox"/> YES <input type="checkbox"/> NO
32. Applicant attests that all CBD products sold for use in Louisiana shall be registered with the Louisiana Department of Health in accordance with La. R.S. 40:601 et seq.	<input type="checkbox"/> YES <input type="checkbox"/> NO
33. Applicant attests that all CBD products sold or offered for sale shall contain labels approved by Louisiana Department of Health in accordance with La. R.S. 40:601 et seq.	<input type="checkbox"/> YES <input type="checkbox"/> NO
34. Applicant attests that business shall not sell or offer for sale CBD products marketed as dietary supplement.	<input type="checkbox"/> YES <input type="checkbox"/> NO
35. Applicant attests that business shall not sell or offer for sale any CBD products containing any medical claims.	<input type="checkbox"/> YES <input type="checkbox"/> NO



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CBD Products	
36. Applicant understands that business shall be responsible to ensure it complies with all federal and state laws and regulations related to hemp products and/or hemp derived CBD products.	<input type="checkbox"/> YES <input type="checkbox"/> NO
37. Does applicant intend to manufacture, process, produce or add hemp or hemp derived CBD products to products it intends to sell or offer for retail sale purposes?	<input type="checkbox"/> YES <input type="checkbox"/> NO
38. If "YES," does applicant understand applicant may be required to register its product with the Louisiana Department of Health, Food and Drug Unit/Milk and Dairy Unit (FDU/MDU) at 225-342-7533.	<input type="checkbox"/> YES <input type="checkbox"/> NO

Application Fees
<input type="checkbox"/> \$175.00 – CBD Retail Dealer Permit with a physical storefront in Louisiana and if applicable, offering sales via online storefront. <input type="checkbox"/> \$175.00 – CBD Remote Seller Permit with sales offered <u>ONLY</u> online, via internet, or digital catalog only. <input type="checkbox"/> \$175.00 – CBD Annual Special Event Permit
If multiple permit type selected, please aggregate total fees and submit all applicable fees. Once submitted, fees are non-refundable. Failure to submit all fees may delay the application process or result in denial.

WARNING & SIGNATURE: Applications may only be signed by the Applicant as listed below. Applications signed by a person other than listed below may result in denial of application.

If Applicant is:	Must Sign:
Individual or Sole Proprietor	Individual Owner(s)
Partnership	Any Partner
Limited Liability Company (LLC)	Any member, managing member, director or officer
Corporation	Any Officer or Director

BY SIGNING BELOW, YOU ARE SWEARING, UNDER OATH, *that you have read each of the questions in this application and that all answers are true and correct to the best of your knowledge, that you meet all the qualifications and that you understand your obligations as a CBD retail dealer permit, CBD remote seller, or CBD annual Special Event permit holder including understanding any laws and regulations related to CBD products, the products label and registration requirements. For additional information, see www.atc.la.gov.*

Print Name (Applicant)

Signature of Applicant

Title

Date

Notary Use Only			
Sworn to and subscribed to me on this _____ day of _____, 20_____, in the parish/county of _____, State of _____ <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="width: 45%; text-align: center;"> _____ Name of Notary Public </div> <div style="width: 45%; text-align: center;"> _____ Signature of Notary Public </div> </div>			
Office Use Only	Permit No.	Processed By & Date:	Issued by & Date