

**RESOLUTION**  
*proposed by*  
**LSBA Executive Committee**

**SALES TAX ON LEGAL SERVICES**

WHEREAS, during the 2013 Regular Session of the Louisiana Legislature a bill was filed which provided for the taxability of certain services;

WHEREAS, the bill did not include legal services but did propose to tax services provided by other professionals;

WHEREAS, the LSBA has carefully monitored this bill because there are states which do impose sales tax on legal services;

WHEREAS, such a sales tax would impact adversely the administration of justice through an increase in *pro se* litigants unable to afford counsel, thereby causing an additional drain on scant judicial resources;

WHEREAS, a sales tax on legal services would tax people at times of misery, misfortune and vulnerability. Clients dealing with criminal charges, personal injury, death, divorce, domestic abuse, housing, credit and bankruptcy seek legal services not from choice but from necessity. The tax would place yet another burden on those already suffering financial or personal crisis;

WHEREAS, such a sales tax would be borne disproportionately by individuals and small businesses; large corporations could avoid the tax by employing in-house lawyers whose salaries would not be subject to the tax. The majority of businesses in Louisiana are small businesses without in-house counsel;

WHEREAS, such a tax could have the potential of creating a tremendous financial impact on practicing attorneys – especially if the tax is due when the client is billed, not when the bill is paid; and

WHEREAS, a tax on legal services would require all lawyers to set up the administration of applying, accounting, collecting and paying the tax, increasing overhead, even while creating a disincentive to being retained.

NOW, THEREFORE, BE IT RESOLVED that the Louisiana State Bar Association is opposed to the imposition of a sales tax on legal services, and that it empowers its Legislation Committee and leaders to go on record in opposition of such a tax should one ever be proposed.

Respectfully submitted:  
LSBA EXECUTIVE COMMITTEE



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