

**Independent Insurance Agents & Brokers of Louisiana**  
**9818 Bluebonnet Boulevard**  
**Baton Rouge, Louisiana 70810**  
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**TA 302**

**August 16, 2012**

**SUBJECT:** Occupational License Tax  
Update to TA 186 August 2, 2001

**BACKGROUND:** IIABL issued TA 186 on August 2, 2001 to advise member agents of Louisiana Attorney General Opinion 89-186 regarding occupational license taxes. AG Opinion 89-186 said that R.S. 22:1076 (later redesignated to R.S. 22:833) authorized an occupational license tax on insurance companies but did not extend to insurance agencies.

On April 26, 2012, the Louisiana Attorney General issued Opinion 12-0012 to Plaquemines Parish Sheriff Michael Lafrance as to whether certain insurance agents and brokers operating within Plaquemines Parish are exempt from the occupational license tax imposed by the Plaquemines Parish Government in accordance with La. Rev. Stat. 47:341. According to Sheriff Lafrance's request, certain insurance agents and brokers have taken the position that they are exempt from the payment of this occupational license tax based on Attorney General Opinion No. 89-186.

**MAIN POINTS:** Louisiana Attorney General Opinion 12-0012 (attached) states that Louisiana Revised Statute 47:341 (attached) was not addressed in AG Opinion 89-186. Louisiana Attorney General Opinion 12-0012 (attached) states in pertinent part that:

"However, the occupational license tax referenced by La. Rev. Stat. 47:341 is not the same as the license tax referenced by Attorney General Opinion No. 89-186 and the references cited therein. Our review of La. Rev. Stat. 47:341 and the related statutory references concerning the imposition of an occupational license tax fails to reveal any exemption for either branch or independent insurance

agents or brokers. As such, it is our opinion that pursuant to La. Rev. Stat. 47:341, the Plaquemines Parish Government has the authority to impose an occupational license tax on any person conducting any business within the territorial jurisdiction of the Plaquemines Parish Government. This authority would extend to both branch and independent insurance agents or brokers.”

**NECESSARY  
ACTION:**

Please review Louisiana Attorney General Opinion 12-0012 (attached) and Louisiana Revised Statute 47:341 (attached) and be advised accordingly.

April 26, 2012  
Opinion 12-0012

Hon. Michael L. Lafrance  
Sheriff, Plaquemines Parish  
302 Main Street  
Belle Chase, LA 70037

121 TAXATION- Occupational License Tax  
La. Rev. Stat. 47:341

The Plaquemines Parish Government has the authority to impose an occupational license tax on any person conducting any business within the territorial jurisdiction of the Plaquemines Parish Government. This authority would extend to both branch and independent insurance agents or brokers.

Dear Sheriff Lafrance:

Your opinion request has been assigned to me for research and reply. You have asked for our office's opinion as to whether certain insurance agents and brokers operating within Plaquemines Parish are exempt from the occupational license tax imposed by the Plaquemines Parish Government in accordance with La. Rev. Stat. 47:341. According to your request, certain insurance agents and brokers have taken the position that they are exempt from the payment of this occupational license tax based on Attorney General Opinion No. 89-186.

Attorney General Opinion No. 89-186 opined that La. Rev. Stat. 22:1076 did not authorize a municipality to impose an occupational license tax on an insurance agent or broker, as the statute only allowed a tax to be levied upon the insurance company itself. Attorney General Opinion No. 89-186 relied upon the Louisiana Supreme Court decision in *Gretna v. Aetna Life Insurance Company*, 20 So. 2d 1 (1944) which held that pursuant to La. Rev. Stat. 22:1076 "every municipal corporation in the State is given the right to impose a license tax on any insurance company engaged in the business of issuing any form of insurance policy or contract which is subject to the payment of the license tax for state purposes. It will be observed that the license tax a municipal corporation is authorized to levy is upon the insurance company itself and not upon its branch office or local representatives."

As indicated in your request, La. Rev. Stat. 22:1076 has been redesignated as La. Rev. Stat. 22:833 and as stated above generally provides that any municipal or parochial corporation in the state shall have the right to impose a license tax on any insurer or insurance company engaged in the business of issuing any form of insurance policy or contract. Thus, La. Rev. Stat. 22:833 authorizes a license tax on a particular insurance company, not a particular individual.

However, the occupational license tax referenced by La. Rev. Stat. 47:341 is not the same as the license tax referenced by Attorney General Opinion No. 89-186 and the references cited therein. Our review of La. Rev. Stat. 47:341 and the related statutory references concerning the imposition of an occupational license tax fails to reveal any exemption for either branch or independent insurance agents or brokers. As such, it is our opinion that pursuant to La. Rev. Stat. 47:341, the Plaquemines Parish Government has the authority to impose an occupational license tax on any person conducting any business within the territorial jurisdiction of the Plaquemines Parish Government. This authority would extend to both branch and independent insurance agents or brokers.

We trust this adequately responds to your request. However, if our office can be of further assistance, please do not hesitate to contact us.

Yours very truly,

JAMES D. "BUDDY" CALDWELL  
ATTORNEY GENERAL

BY:

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MICHAEL J. VALLAN  
Assistant Attorney General

JDC/MJV/chb

**SYLLABUS**  
**OPINION 12-0012**

121 TAXATION- Occupational License Tax

La. Rev. Stat. 47:341

The Plaquemines Parish Government has the authority to impose an occupational license tax on any person conducting any business within the territorial jurisdiction of the Plaquemines Parish Government. This authority would extend to both branch and independent insurance agents or brokers.

Hon. Michael L. Lafrance  
Sheriff, Plaquemines Parish  
302 Main Street  
Belle Chasse, Louisiana 70037

DATE RECEIVED:

DATE RELEASED: April 26, 2011

Michael J. Vallan  
Assistant Attorney General

Occupational License Tax Statute RS 47:341

CHAPTER 3. OCCUPATIONAL LICENSE TAX

§47:341. Imposition of tax; municipalities and parishes

A. Any municipality or parish shall have the right to impose a license tax on any person conducting any business herein enumerated within the territorial jurisdiction of the municipality or parish at a rate which shall not exceed the maximum tax rates set forth in this Chapter, provided that the imposition of such license tax is approved by two-thirds of the elected members of the municipal or parochial governing authority and after affording the public an opportunity to comment at a minimum of three public hearings.

B. The tax collector, administrator of finance, treasurer, or any other officer whose duty is to receive and collect the taxes and money due to each municipality or parish may enforce the collection of any and all taxes due.

Amended by Acts 1981, No. 567, §1, eff. Jan. 1, 1982; Acts 1986, No. 1017, §1, eff. Jan. 1, 1987.

{{NOTE: SEE ACTS 1986, NO. 1017, §3, AND ACTS 1986, 1ST EX. SESS., NO. 18, §1.}}