

2021 Regular Session

SENATE BILL NO. 6

BY SENATOR CATHEY

TAX/SALES. Exempts purchases of utilities used by commercial farmers for on-farm storage from state sales and use tax. (gov sig)

1 AN ACT

2 To enact R.S. 47:302(BB)(114), 305.4, 321(P)(115), 321.1(I)(115), and 331(V)(115),
3 relative to tax exemptions; to provide an exemption from state sales and use tax for
4 utilities used by commercial farmers for on-farm storage; to authorize the secretary
5 of the Department of Revenue to promulgate rules; to provide for effectiveness; and
6 to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 47:302(BB)(114), 305.4, 321(P)(115), 321.1(I)(115), and
9 331(V)(115) are hereby enacted to read as follows:

10 §302. Imposition of tax

11 * * *

12 BB. Notwithstanding any other provision of law to the contrary, including but
13 not limited to any contrary provisions of this Chapter, beginning July 1, 2018,
14 through June 30, 2025, there shall be no exemptions and no exclusions to the tax
15 levied pursuant to the provisions of this Section, except for the retail sale, use,
16 consumption, distribution, or storage for use or consumption of the following:

17 * * *

1 **(114) Sales of utilities used by commercial farmers for on-farm storage**
2 **as provided in R.S. 47:305.4.**

3 * * *

4 **§305.4. Exclusions and Exemptions; utilities used by commercial farmers for**
5 **on-farm storage**

6 **A. Beginning July 1, 2021, the sales and use tax imposed by the state of**
7 **Louisiana shall not apply to the sale or use of utilities used by commercial**
8 **farmers for on-farm storage.**

9 **B. For purposes of this Section:**

10 **(1) "Commercial farmer" shall have the same meaning as defined in R.S.**
11 **47:301(30).**

12 **(2) "On-farm storage" means facilities or containers located in Louisiana**
13 **that are separately metered for utilities and that contain raw agricultural**
14 **commodities, including but not limited to feed, seed, and fertilizer, to be utilized**
15 **in preparing, finishing, manufacturing, or producing crops or animals prior to**
16 **the first point of sale.**

17 **(3) "Utilities" means steam, water, electric power or energy, natural gas,**
18 **or energy sources as provided for in R.S. 47:305(D)(1)(b), (c), (d), (g), and (h).**

19 **C. The secretary of the Department of Revenue may promulgate rules**
20 **and regulations necessary to implement the provisions of this Section.**

21 * * *

22 §321. Imposition of tax

23 * * *

24 P. Notwithstanding any other provision of law to the contrary, including but
25 not limited to any contrary provisions of this Chapter, beginning July 1, 2018,
26 through June 30, 2025, there shall be no exemptions and no exclusions to the tax
27 levied pursuant to the provisions of this Section, except for the retail sale, use,
28 consumption, distribution, or storage for use or consumption of the following:

29 * * *

