

SENATE BILL NO. 6

BY SENATOR CATHEY AND REPRESENTATIVES BOURRIAQUE, BRYANT, ROBBY CARTER, COX, DESHOTEL, DEVILLIER, ECHOLS, EDMONDS, EMERSON, FREIBERG, GADBERRY, HARRIS, LACOMBE, MIGUEZ, RISER, SCHEXNAYDER, STEFANSKI, THOMPSON, TURNER AND WHITE

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 * * *

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

20 * * *

21 **§305.4. Exclusions and Exemptions; utilities used by commercial farmers for**
22 **on-farm storage**

23 **A. Beginning October 1, 2021, the sales and use tax imposed by the state**
24 **of Louisiana shall not apply to the sale or use of utilities used by commercial**

1 farmers for on-farm storage.

2 B. For purposes of this Section:

3 (1) "Commercial farmer" shall have the same meaning as defined in R.S.
4 47:301(30).

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

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

12 C. The secretary of the Department of Revenue may promulgate rules
13 and regulations necessary to implement the provisions of this Section.

14 * * *

15 §321. Imposition of tax

16 * * *

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

22 * * *

23 (115) Sales of utilities used by commercial farmers for on-farm storage
24 as provided in R.S. 47:305.4.

25 * * *

26 §321.1. Imposition of tax

27 * * *

28 I. Notwithstanding any other provision of law to the contrary, including but
29 not limited to any contrary provisions of this Chapter, beginning July 1, 2018,
30 through June 30, 2025, there shall be no exemptions and no exclusions to the tax

1 levied pursuant to the provisions of this Section, except for the retail sale, use,
2 consumption, distribution, or storage for use or consumption of the following:

3 * * *

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

6 * * *

7 §331. Imposition of tax

8 * * *

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

14 * * *

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

17 * * *

18 Section 2. This Act shall become effective upon signature by the governor or, if not
19 signed by the governor, upon expiration of the time for bills to become law without signature
20 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
21 vetoed by the governor and subsequently approved by the legislature, this Act shall become
22 effective on the day following such approval.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____