

2025 Regular Session

HOUSE BILL NO. 666

BY REPRESENTATIVE RISER

TAX: Reduces individual and corporate income tax rates and imposes sales and use tax on certain services

1 AN ACT

2 To amend and reenact R.S. 47:32(A), 287.12, 300.1, 300.3(3), 301.1(F), and 301.3 and to
3 enact Subpart P-6 of Part II-A of Chapter 1 of Subtitle I of Title 39 of the Louisiana
4 Revised Statutes of 1950, to be comprised of R.S. 39:100.118, and R.S. 47:1603(D),
5 relative to revenue and taxation; to provide for the rate of individual income tax; to
6 provide for the rate of corporation income tax; to provide for rates of tax on the
7 income of estates and trusts; to provide for sales and use taxes; to impose sales and
8 use tax on certain services; to provide for sales tax rates; to dedicate certain amounts
9 of sales tax revenues; to provide for a limited waiver of penalties; to create and
10 provide for the Local Revenue Fund; to authorize uses of monies in the fund; to
11 provide for definitions; to provide for applicability; to provide for an effective date;
12 and to provide for related matters.

13 Be it enacted by the Legislature of Louisiana:

14 Section 1. Subpart P-6 of Part II-A of Chapter 1 of Subtitle I of Title 39 of the
15 Louisiana Revised Statutes of 1950, comprised of R.S. 39:100.118, is hereby enacted to read
16 as follows:

17 SUBPART P-6. LOCAL REVENUE FUND

18 §100.118. Local Revenue Fund

19 A. There is hereby established in the state treasury, as a special fund, the
20 Local Revenue Fund, hereinafter referred to in this Section as the "fund". After
21 allocation of money to the Bond Security and Redemption Fund as provided for in

1 Article VII of the Constitution of Louisiana, the treasurer shall deposit in and credit
2 to the Local Revenue Fund the avails of the taxes imposed by R.S. 47:301.1(F) and
3 301.3(D), and any other revenue dedicated to the fund by the legislature. The
4 legislature may appropriate additional sums to the fund.

5 B. The monies in the fund shall be used solely for distribution to ad valorem
6 tax recipient bodies within a parish to offset losses attributable to business inventory
7 exemptions to the ad valorem tax granted by a parish.

8 C. Monies in the fund shall be invested in the same manner as monies in the
9 state general fund. Interest earned on the investment of monies in the fund shall be
10 deposited in and credited to the fund.

11 Section 2. R.S. 47:32(A), 287.12, 300.1, 300.3(3), 301.1(F), and 301.3 are hereby
12 amended and reenacted and R.S. 47:1603(D) is hereby enacted to read as follows:

13 §32. Rates of tax

14 A. On individuals. The tax to be assessed, levied, collected, and paid upon
15 the taxable income of an individual shall be computed at the rate of ~~three~~ two and
16 nine tenths percent on net income.

17 * * *

18 §287.12. Rates of tax

19 For taxable years beginning on or after January 1, ~~2025~~ 2026, the tax to be
20 assessed, levied, collected, and paid upon the Louisiana taxable income of every
21 corporation shall be computed at the rate of five and ~~one-half~~ four tenths percent.

22 * * *

23 §300.1. Tax imposed

24 There is imposed an income tax for each taxable year upon the Louisiana
25 taxable income of every estate or trust, whether resident or nonresident. The tax to
26 be assessed, levied, collected, and paid upon the Louisiana taxable income of an
27 estate or trust shall be computed at the rate of ~~three~~ two and nine tenths percent on
28 Louisiana taxable income.

29 * * *

1 §300.3. Residents and nonresidents

2 The tax imposed by R.S. 47:300.1 upon the income of estates or trusts shall
3 apply to residents and nonresidents as follows:

4 * * *

5 (3) Estates or trusts located outside the United States that derive income
6 from Louisiana sources but are not required to file United States fiduciary income
7 tax returns shall be taxed and required to comply with this Part. Such estate or trust
8 shall be taxed in the same manner as other nonresident estates or trusts, and the
9 provisions of this Part shall apply as if the estate or trust had been required to file an
10 income tax return with the Internal Revenue Service for the current and all prior
11 years. In the alternative, such estate or trust may elect to be taxed at the rate of ~~three~~
12 two and nine tenths percent on total gross income from Louisiana sources.

13 * * *

14 §301.1. Telecommunications and ancillary services

15 * * *

16 F.(1) Local political subdivisions shall be prohibited from levying a sales
17 and use tax on telecommunications services not in effect on July 1, 1990. However,
18 the provisions of this Paragraph shall not be construed to prohibit the levy or
19 collection of any franchise, excise, gross receipts, or similar tax or assessment by any
20 political subdivision of the state as defined in Article VI, Section 44 of the
21 Constitution of Louisiana.

22 (2) There is hereby levied an additional state sales and use tax upon all
23 telecommunications services, ~~cable television services, direct-to-home satellite~~
24 ~~services, video programming services, and satellite digital audio radio services~~ in this
25 state, at the rate of five percent of the amounts paid or charged for such services.

26 (3) The tax levied ~~pursuant to~~ by this Subsection shall be paid in lieu of any
27 sales or use tax that would otherwise be levied and collected by a political
28 subdivision of this state.

1 (4) The taxes levied ~~pursuant to~~ by this Subsection shall be administered and
2 collected by the secretary of the Department of Revenue. The secretary shall assess
3 an administration and collection fee, not to exceed one percent of the collections of
4 the tax, as reimbursement for the actual cost of collection of the tax.

5 (5) The tax levied in this Subsection shall be collected from the dealer, as
6 defined in this Chapter, shall be paid at the time and in the manner hereinafter
7 provided, and shall be in addition to all other taxes, whether levied in the form of
8 excise, license, or privilege taxes, and shall be in addition to taxes levied pursuant
9 to the provisions of Chapter 3 of this Subtitle.

10 (6) After allocation to the Bond Security and Redemption Fund as provided
11 in Article VII, Section 9(B) of the Constitution of Louisiana, the treasurer shall
12 deposit in and credit to the Local Revenue Fund the avails of the taxes collected
13 ~~under~~ pursuant to this Subsection.

14 * * *

15 §301.3. Services

16 A. For purposes of this Section, the following terms shall have the meanings
17 ascribed to them in this Subsection unless the context indicates otherwise:

18 (1) "Accommodations intermediary" means a person other than the owner,
19 operator, or manager of a room, suite, hotel, condominium, townhouse, rental house,
20 or other accommodation.

21 (2) "Furnishing" means providing, brokering, coordinating, making available
22 for, or otherwise arranging for the sale or use of a taxable service provided for in
23 Paragraph (B)(1) or (B)(2) of this Section.

24 (3) "Lobbying and similar consulting services" means the act of promoting
25 or securing passage of legislation or an attempt to influence a public official or other
26 public servant toward a desired action, including but not limited to the support of or
27 opposition to a project or the passage, amendment, defeat, approval, or veto of any
28 legislation, regulation, rule, or ordinance.

1 (4) "Private investigation services" means an investigation conducted for
2 purposes of providing information related to any of the following:

3 (a) A crime or wrong committed, assumed to have been committed, or
4 threatened to be committed.

5 (b) The identity, habits, conduct, movement, location, affiliations,
6 associations, transactions, reputation, or character of any person.

7 (c) The credibility of a witness or of any other individual.

8 (d) The location of a missing individual.

9 (e) The location or recovery of lost or stolen property.

10 (f) The origin, cause of, or responsibility for a fire, accident, damage to or
11 loss of property, or injury to an individual, regardless of who conducts the
12 investigation.

13 (g) The affiliation, connection, or relation of any person with an organization
14 or other person.

15 (h) The activities, conduct, efficiency, loyalty, or honesty of any employee,
16 agent, contractor, or subcontractor.

17 (i) The financial standing, creditworthiness, or financial responsibility of any
18 person.

19 (j) Securing evidence for use before any investigating committee, board of
20 award, or board of arbitration, or for use in a trial of any civil or criminal cause.

21 (k) Conducting polygraph testing.

22 (l) Conducting background checks on prospective employees or tenants.

23 (m) Conducting background checks on individuals by or at the request of an
24 insurance company for workers' compensation purposes.

25 (5) "Security, protection, and bodyguard services" means any activity that
26 a person performs for compensation as a security guard to protect any individual or
27 property and is provided on the premises of a person's residential or commercial
28 property.

1 (6) "Security and alarm system monitoring" means monitoring of an
2 electronically controlled burglar or fire alarm system for any residential or
3 commercial property or responding to a distress call or an alarm sounding from a
4 security system.

5 (7)(a) "Spa services" means health and beauty treatments, including but not
6 limited to the following:

7 (i) Massages, other than by a licensed massage therapist.

8 (ii) Facials, including but not limited to exfoliation, steam, moisturizers,
9 masks, peels, microdermabrasion, and face massages.

10 (iii) Body treatments, including but not limited to scrubs, wraps, saunas,
11 whirlpools, jet baths, steam rooms, Jacuzzis, thermal baths, hydrotherapy, mud baths,
12 salt scrubs, seaweed body wraps, clay or herbal body masks, reflexology, relaxation
13 rooms, aromatherapy, and waxing.

14 (iv) Nail services, including but not limited to manicures, pedicures, cuticle
15 care, and paraffin treatments.

16 (b) Spa services shall not include any of the following:

17 (i) Hair and scalp treatments, including haircuts, hair styling, hair coloring,
18 hair extensions, and hair texture treatments.

19 (ii) Acupuncture.

20 (iii) Weight reduction and management services.

21 (iv) Services performed at medical spas licensed under Louisiana law such
22 as laser hair removal, laser skin resurfacing, Botox, dermal fillers, microneedling,
23 radio frequency (RF), CoolSculpting, cellulite reduction, intense pulsed light
24 treatments, body contouring treatments, skin tightening, and acne and scarring
25 treatment, provided that such services are performed by authorized licensed medical
26 professionals under the supervision of a medical director who is a licensed physician.

27 (8) "Transient guests" means individuals who rent accommodations other
28 than their permanent residence on less than a month-to-month basis. For
29 accommodations to be considered as a permanent residence to permanent occupants,

1 the physical properties of the space must provide the basic elements of a home,
2 including full-sized kitchen appliances and facilities. Additionally, the occupant must
3 use the facilities of the property as a home with the intent to permanently remain.

4 B. The sales and use tax levied by any taxing authority shall apply to the
5 following services:

6 (1) The rental or furnishing of sleeping rooms, cottages, cabins, rooms,
7 suites, condominiums, townhouses, rental houses, or other accommodations by
8 hotels, apartment hotels, lodging houses, tourist camps, tourist courts, property
9 management companies, accommodations intermediaries, or any other provider or
10 seller of accommodations to transient guests. The sales price shall include service,
11 facilitator, processing, delivery, and other similar fees and charges associated with
12 the processing of a transaction, even if such fee or charge is separately stated.

13 (2) The furnishing of admissions which shall include sales of tickets, and
14 fees or other charges, for admissions to places of amusement, recreational events,
15 entertainment, exhibitions, displays, and athletic entertainment, and charges made
16 for participation in games and amusement activities. This service shall include the
17 furnishing, for dues, fees, or other consideration, of the privilege of access to clubs,
18 including buyer's clubs, or the privilege of having access to or the use of amusement,
19 entertainment, athletic, or recreational facilities. This service shall also include
20 coin-operated amusement devices, including but not limited to massage chairs, video
21 games, pinball games, table games such as billiards and air hockey, and redemption
22 games such as the claw and Skee-Ball that may award prizes of tangible personal
23 property. The sales price shall include any service, facility, processing, delivery,
24 facilitator, and other similar fees and charges, even if such fee or charge is separately
25 stated.

26 (3) Parking, storing, or keeping of motor vehicles including but not limited
27 to valet services, the use of parking spaces, parking lots, and parking structures, and
28 charges for street parking at metered spaces.

1 (4) Printing and copying services, including but not limited to printing or
2 overprinting, lithographic, multilith, blue printing, photostating, or other similar
3 services of reproducing written or graphic matter, and copying, photocopying,
4 reproducing, duplicating, and other similar services including those services
5 provided in coin-operated, self-service form.

6 (5) Laundry, cleaning, pressing, alterations, repair, and dyeing services,
7 including but not limited to the cleaning and renovation of clothing, furs, linens,
8 furniture, carpets, and rugs, and the furnishing of storage space for clothing, furs, and
9 rugs. The service shall be taxable at the location where the laundered, cleaned,
10 pressed, or dyed article is returned to the customer.

11 (6) The furnishing of cold storage space, except that which is furnished
12 pursuant to a bailment arrangement, and the furnishing of the service of preparing
13 tangible personal property for cold storage where the service is incidental to the
14 operation of storage facilities.

15 (7)(a) Repairs and maintenance of tangible personal property. Repairs and
16 maintenance include but are not limited to the repair and servicing of automobiles,
17 vehicles, boats and vessels, electrical and mechanical appliances and equipment,
18 farm machinery and implements, motors, tires, batteries, engineering instruments,
19 medical and surgical instruments, machinery, mechanical tools, shop equipment,
20 furniture, rugs, flooring, watches, clocks, jewelry, refrigerators, phones, televisions,
21 radios, shoes, including shoe shining, and office appliances and equipment. This
22 includes service calls and trip or travel charges.

23 (b) For purposes of this Paragraph, "tangible personal property" includes
24 machinery, appliances, and equipment which have been declared immovable by
25 declaration under the provisions of Civil Code Article 467 and things which have
26 been separated from land, buildings, or other constructions permanently attached to
27 the ground or their component parts as defined in Civil Code Article 466.

28 (8) Telecommunications services for compensation, in accordance with the
29 provisions of R.S. 47:301.1.

1 (9) The providing of prewritten computer software access services. For
2 purposes of this Paragraph, prewritten computer software access services means
3 charges made to customers for the right to access and use prewritten computer
4 software, where possession of the software is maintained by the seller or third party
5 regardless of whether the charge for the services is on a per use, per user, per license,
6 subscription, or some other basis.

7 (10)(a) The providing of information services. For purposes of this
8 Paragraph, information services means electronic data retrieval or research; and
9 collecting, compiling, analyzing, or furnishing of information of any kind, including
10 but not limited to general or specialized news, other current information or financial
11 information, by printed, mimeographed, electronic, or electrical transmission, or by
12 utilizing wires, cable, radio waves, microwaves, satellites, fiber optics, or any other
13 method now in existence or which may be devised; this includes delivering or
14 providing access to information through databases or subscriptions. Information
15 services include but are not limited to:

16 (i) Furnishing newsletters; tax guides; research publications; financial,
17 investment, circulation, credit, stock market, or bond rating reports; mailing lists;
18 abstracts of title; news clipping services; wire services; scouting reports; surveys;
19 bad check lists; and broadcast rating services.

20 (ii) Subscriptions to genealogical, financial, or similar databases.

21 (iii) ~~Solely for purposes of state sales and use taxes, cable television services,~~
22 ~~direct-to-home satellite services, video programming services, and satellite digital~~
23 ~~audio radio services.~~

24 ~~(iv)~~ Global positioning system services including driving directions and
25 sports, news, and similar information provided through satellite audio programming
26 services.

27 (b) Information services shall not include any of the following:

1 (i) Information sold to a newspaper or a radio or television station licensed
2 by the Federal Communications Commission, if the information is gathered or
3 purchased for direct use in newspapers or radio or television broadcasts.

4 (ii) Charges to a person by a financial institution for account balance
5 information; or information gathered or compiled on behalf of a particular client, if
6 the information is of a proprietary nature to that client and may not be sold to others
7 by the person who compiled the information, except for a subsequent sale of the
8 information by the client for whom the information was gathered or compiled.

9 (iii) Internet access service or information services that are provided in
10 conjunction with and merely incidental to the provision of internet access service
11 when provided for a single charge.

12 (iv) Data processing, including but not limited to check or payment
13 processing services.

14 C. The sales and use tax levied by the state, and no other taxing authority,
15 shall apply to the following services:

16 (1) Cable television services, direct-to-home satellite services, video
17 programming services provided by cable television and satellite service providers,
18 and satellite digital audio radio services.

19 (2) Cleaning, waxing, polishing, and detailing of tangible personal property.

20 (3) Installing, repairing, and maintaining taxable computer software and
21 associated training and hosting.

22 (4) Dating and social matching services.

23 (5) Installing, repairing, and maintaining water features, such as pools, hot
24 tubs, and spa baths.

25 (6) Intrastate vehicle transportation services, including rideshare.

26 (7) Lobbying and similar consulting services.

27 (8) Photography, photofinishing, film development, and photographic studio
28 services, including sitting fees.

29 (9) Embroidery and monogramming services.

1 (10) Security services including locksmith, security and alarm system
2 monitoring, private investigation, background checks, transportation or delivery of
3 money, property, or valuables by armored car, security, protection, and bodyguard
4 services.

5 (11) Spa services.

6 (12) Skin tanning and body modification services including tanning booths,
7 tanning bed services, spray tanning, tattooing, piercing, scarification, and branding.

8 (13) Travel and travel package services including services of travel agents
9 and travel clubs.

10 D.(1) There is hereby levied an additional state sales and use tax at the rate
11 of five percent of the amounts paid or charged for the services enumerated in
12 Subsection C of this Section.

13 (2) Local political subdivisions shall be prohibited from levying a sales and
14 use tax on those services enumerated in Subsection C of this Section. The tax levied
15 pursuant to this Subsection shall be paid in lieu of any sales or use tax that would
16 otherwise be levied and collected by a political subdivision of this state.

17 (3) The tax levied pursuant to this Subsection shall be administered and
18 collected by the secretary of the Department of Revenue. The secretary shall assess
19 an administration and collection fee, not to exceed one percent of the collections of
20 the tax, as reimbursement for the actual cost of collection of the tax.

21 (4) After allocation to the Bond Security and Redemption Fund as provided
22 in Article VII, Section 9(B) of the Constitution of Louisiana, the treasurer shall
23 deposit in and credit to the Local Revenue Fund the avails of the additional state
24 sales and use tax collected pursuant to this Subsection.

25 * * *

26 §1603. Waiver of penalty for delinquent filing or delinquent payment

27 * * *

28 D. The secretary shall waive any penalty assessed against a person pursuant
29 to R.S. 47:1602 or 1604.1 for taxable periods beginning January 1, 2026, and ending

- (3) Installing, repairing, and maintaining taxable computer software and associated training and hosting.
- (4) Dating and social matching services.
- (5) Installing, repairing, and maintaining water features, such as pools, hot tubs, and spa baths.
- (6) Intrastate vehicle transportation services, including rideshare.
- (7) Lobbying and similar consulting services.
- (8) Photography, photofinishing, film development, and photographic studio services, including sitting fees.
- (9) Embroidery and monogramming services.
- (10) Security services including locksmith, security and alarm system monitoring, private investigation, background checks, transportation or delivery of money, property, or valuables by armored car, security, protection, and bodyguard services.
- (11) Spa services.
- (12) Skin tanning and body modification services including tanning booths, tanning bed services, spray tanning, tattooing, piercing, scarification, and branding.
- (13) Travel and travel package services including services of travel agents and travel clubs.

Proposed law defines terms pertaining to the newly taxable services established by proposed law.

Proposed law levies an additional 5% state sales tax on the services enumerated above, all of which are exempt from local sales tax, making the state sales tax rate 10% on these services. Dedicates the avails of the additional 5% state sales tax to the Local Revenue Fund established by proposed law.

Local Revenue Fund

Proposed law establishes the Local Revenue Fund as a special fund in the state treasury. Requires that monies in the fund be used solely for distribution to ad valorem tax recipient bodies within a parish to offset losses attributable to business inventory exemptions to the ad valorem tax granted by a parish.

Tax Administration

Proposed law requires that, for a six-month period specified in proposed law, the secretary of the Dept. of Revenue shall waive certain penalties authorized by present law for failure to make a timely or accurate return when that failure relates to collection or reporting of sales and use tax imposed on a service which was not taxable prior to Jan. 1, 2026. Provides that this waiver shall be in effect for taxable periods beginning Jan. 1, 2026, and ending June 30, 2026. Provides for limited exceptions to the waiver.

Proposed law applies to taxable periods beginning on or after Jan. 1, 2026.

Effective Jan. 1, 2026.

(Amends R.S. 47:32(A), 287.12, 300.1, 300.3(3), 301.1(F), and 301.3; Adds R.S. 39:100.118 and R.S. 47:1603(D))