

---

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Leonore Heavey.

---

DIGEST

SB 3 Original

2016 Second Extraordinary Session

Morrell

Present law provides for exclusions from sales tax for sales of materials for further processing and for isolated and occasional sales but does not define these terms.

Proposed law defines sales of raw materials for further processing and for isolated and occasional sales.

Present law suspends several exemptions from state sales tax from April 1, 2016 to June 30, 2018 for purposes of the 2% sales tax imposed by R.S. 47:302.

Proposed law restores 28 suspended sales tax exemptions from the 2% levy beginning July 1, 2016, including the exemption for admissions to athletic and entertainment events held for or by an elementary or secondary school, the exemption for purchases of fishing vessels, supplies, and repairs of vessels by licensed commercial fishermen, and the exemption for sales of butane and propane for private, residential consumption.

Present law imposes a 1% state sales tax on sales of tangible personal property and on sales of taxable services from April 1, 2016 to June 30, 2018.

Present law provides for limited exemptions from the temporary 1% state sales tax.

Proposed law adds 20 additional sales tax exemptions to the exemptions that apply to the temporary 1% sales tax, including the exemption for admissions to athletic and entertainment events held for or by an elementary or secondary school, the exemption for purchases of fishing vessels, supplies, and repairs of vessels by licensed commercial fishermen, and the exemption for sales of butane and propane for private, residential consumption.

Effective July 1, 2016.

(Amends R.S. 47:302(X)(intro para) and 321.1(F)(intro para); adds R.S. 47:302(AA) and 321.1(I))