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

DIGEST

SB 97 Engrossed | 2017 Regular Session | Fannin

Present law provides for sales and use exemptions and exclusions for certain agricultural inputs including feed, seed, fertilizer, pesticides, fuel, and irrigation equipment that are used by anyone in preparing, finishing, manufacturing, or producing crops or animals for market.

Proposed law retains the present law exclusions and exemptions, but limits their application to commercial farmers who are defined by proposed law as persons who produce such food or commodities at a profit and file their farm income and expense on a federal Schedule F or similar federal tax form.

Proposed law requires the Department of Revenue to promulgate rules in consultation with the Department of Agriculture by January 1, 2019, to provide for the application of the definition of commercial farmer.

Proposed law requires the Department of Revenue to honor farmer exemption certificates issued under present law until December 31, 2018.

Effective January 1, 2018.

(Amends R.S. 47:301(10)(e), 305.3, 305.8, 305.37, 305.63; adds R.S. 47:301(30))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the original bill

1. Adds commercial farmer requirement to farm fuel and irrigation equipment exemptions.

2. Changes commercial farmer definition to require reporting of farm income and expenses on a federal tax form.

3. Requires Department of Revenue to issue rules by January 1, 2019.

4. Requires Department of Revenue to honor existing farmer exemption certificates.

5. Changes effective date to January 1, 2018.