

2017 Regular Session

HOUSE BILL NO. 673

BY REPRESENTATIVE STOKES

TAX/SALES & USE: Provides with respect to the exclusions and exemptions applicable to sales and use taxes

1 AN ACT

2 To amend and reenact R.S. 4:168 and 227, R.S. 12:425, R.S. 47:301(7)(b), (10)(b) and
3 (c)(ii), 13(a) and (h), (14)(b)(i)(aa), (23) and (24)(introductory paragraph), (a), and
4 (b), 305(A)(4)(a) and (b) and (D)(1)(a), (h), (i), (k), and (u), 305.11(A), 305.14(A)(1)
5 through (4), 305.19, 305.28(A), 305.44(A)(introductory paragraph), 305.47, 305.48,
6 305.49, 305.50(E)(2), 305.66(A), 315(B)(4), 315.5(A), 337.9(C)(1), (4), and (13),
7 and (D)(10) and (20), 337.10(I)(1), and 6001(A), to enact R.S. 47:301(10)(ii) and
8 (18)(q), 305.73 through 305.98, 315(B)(5), 315.6 through 315.11, and 337.10(P)
9 through (T), and to repeal R.S. 38:2212.4(C), R.S. 39:467 and 468, R.S.
10 47:301(3)(g), (i) through (k), (4)(i) and (k), (6)(b), (7)(c), (e) through (g), (h), (j), and
11 (l), (8)(b) and (d) through (f), (10)(c)(i)(bb), (d), (h) through (j), (l), (n) through (r),
12 (t), (y) through (hh), (13)(c), (e), (k), (l), (m), (14)(b)(i)(bb), and (b)(ii) through (iv),
13 (g)(iii), (h) and (k), (16)(b)(ii), (c), (f), (h), (i) through (k), (m), and (n) through (p),
14 (18)(c), (e), (f), (h), (k), (m), (n), (o), and (p), and (28), 302(D), 305(A)(1), (B), and
15 (F), 305.2, 305.6, 305.7, 305.9, 305.13, 305.14(A)(5), 305.18, 305.26, 305.30,
16 305.33, 305.40 through 305.44(B), 305.45, 305.51, 305.52, 305.53, 305.57(C),
17 305.59, 305.60, 305.61, 305.65, 305.67 through 305.71, 337.9(B), (C)(23), (D)(3),
18 (4), (6), (9), (18), (19), (21), and (26) through (33), 337.10(C), (G), (I)(2) and (3),
19 (K), and (M), and 6003, relative to the sales and use taxes; to provide for exclusions
20 and exemption from sales and use taxes; to provide with respect to the tax treatment
21 of the sale, lease, rental, or storage of certain tangible personal property and sale of

1 certain services; to repeal certain sales and use tax exemptions and exclusions; to
2 establish certain sales and use tax refunds; and to provide for related matters.

3 Be it enacted by the Legislature of Louisiana:

4 Section 1. R.S. 4:168 and 227 are hereby amended and reenacted to read as follows:

5 §168. License fees, commissions, and taxes of this Part in lieu of all other such
6 taxes

7 The license fees, commissions, and taxes imposed in this Part are in lieu of
8 all other such licenses, ~~sales~~, excise and occupational taxes to the state or to any
9 parish, city, town, or other political subdivision thereof.

10 * * *

11 §227. License fees, commissions, and taxes of this Part in lieu of all other such
12 taxes

13 The license fees, commissions, and taxes imposed upon an offtrack wagering
14 facility in this Part are in lieu of all other such licenses, ~~sales~~, excise, and
15 occupational taxes to the state or to any parish, city, town, municipality, or other
16 political subdivision thereof.

17 Section 2. R.S. 12:425 is hereby amended and reenacted to read as follows:

18 §425. Taxation

19 Each cooperative shall pay annually, on or before the first day of July, to the
20 department of revenue, a fee of ten dollars for each one hundred persons or fraction
21 thereof to whom electricity is supplied within the state by it, but shall be exempt
22 from all other excise and income taxes whatsoever. Notwithstanding any provision
23 of law to the contrary, this exemption shall be applicable to all state sales and use tax
24 levies.

25 Section 3. R.S. 47:301(7)(b), (10)(b) and (c)(ii), 13(a) and (h), (14)(b)(i)(aa), (23)
26 and (24)(introductory paragraph), (a), and (b), 305(A)(4)(a) and (b) and (D)(1)(a), (h), (i),
27 (k), and (u), 305.11(A), 305.14(A)(1) through (4), 305.19, 305.28(A),
28 305.44(A)(introductory paragraph), 305.47, 305.48, 305.49, 305.50(E)(2), 305.66(A),
29 315(B)(4), 315.5(A), 337.9(C)(1), (4), and (13), and (D)(10) and (20), 337.10(I)(1), and

1 6001(A), to enact R.S. 47:301(10)(ii) and (18)(q), 305.73 through 305.98, 315(B)(5), 315.6
2 through 315.11, and 337.10(P) through (T) are here by enacted to read as follows:

3 §301. Definitions

4 As used in this Chapter the following words, terms, and phrases have the
5 meanings ascribed to them in this Section, unless the context clearly indicates a
6 different meaning:

7 * * *

8 (7)

9 * * *

10 ~~(b) Solely for purposes of the state sales and use taxes imposed under R.S.~~
11 ~~47:302, 321, and 331, the~~ The term "lease or rental", as herein defined, shall not
12 mean or include the lease or rental made for the purposes of re-lease or re-rental of
13 casing tools and pipe, drill pipe, tubing, compressors, tanks, pumps, power units,
14 other drilling or related equipment used in connection with the operating, drilling,
15 completion, or reworking of oil, gas, sulphur, or other mineral wells.

16 * * *

17 (10)

18 * * *

19 ~~(b)(i) Solely for purposes of the sales and use tax levied by the state, the sale~~
20 ~~of tangible personal property to a dealer who purchases said property for resale~~
21 ~~through coin-operated vending machines shall be considered a "sale at retail", subject~~
22 ~~to such tax. The subsequent resale of the property by the dealer through~~
23 ~~coin-operated vending machines shall not be considered a "sale at retail".~~

24 ~~(ii) Solely for purposes of the sales and use tax levied by political~~
25 ~~subdivisions, the~~ The term "sale at retail" shall include the sale of tangible personal
26 property by a dealer through a kiosk or coin-operated vending machine.

27 * * *

28 (c)

29 * * *

1 amount of money actually received by the dealer from the purchaser for each such
2 telephone, or (ii) ~~twenty-five~~ one hundred percent of the cost of such telephone to
3 the dealer, but shall not include any amount received by the dealer from the
4 purchaser for providing mobile telecommunications services or any commissions,
5 fees, rebates, or other amounts received by the dealer from any source other than the
6 purchaser as a result of or in connection with the sale of the telephone.

7 * * *

8 (14) "Sales of services" means and includes the following:

9 * * *

10 (b)(i)~~(aa)~~ The sale of admissions to places of amusement, to athletic
11 entertainment ~~other than that of schools, colleges, and universities,~~ and recreational
12 events, and the furnishing, for dues, fees, or other consideration of the privilege of
13 access to clubs or the privilege of having access to or the use of amusement,
14 entertainment, athletic, or recreational facilities.

15 * * *

16 (18)

17 * * *

18 (q) For purposes of the sales and use tax of all taxing authorities, "use tax"
19 shall not apply to livestock and livestock products, to poultry and poultry products,
20 or to farm, range and agricultural products when produced by the farmer and used
21 by the farmer and the farmer's family.

22 * * *

23 (23)(a) The term "custom computer software" means ~~computer software a~~
24 data processing program prepared, created, ~~adapted,~~ or modified to the special order
25 or specifications of a particular purchaser, licensee, or user; ~~or to meet the specific~~
26 ~~needs or requirements of a particular purchaser, licensee, or user,~~ regardless of the
27 means by or through which such computer software is furnished, delivered, or
28 transmitted, ~~and regardless of whether such software incorporates or consists of~~

1 ~~preexisting routines, utilities, or other computer software components.~~ Custom
2 computer software may contain pre-written software.

3 (b) In order to be considered "custom computer software", the computer
4 software must require preparation, creation, adaption, or modification by the vendor
5 in order to be used in a specific work environment or to perform a specific function
6 for the user.

7 (c) Updates, upgrades, and new versions of custom computer software shall
8 be considered custom computer software, provided such upgrades, updates, and new
9 versions meet the definition of custom computer software ~~contained in this Chapter~~
10 as provided in this Paragraph.

11 (d) Pre-written software means a data processing program prepared for sale
12 or license to multiple users, and not to the special order or specifications of a single
13 customer. Pre-written software is commonly referred to as "canned" or "off-the-
14 shelf" or "standardized" software.

15 (24) The term "news publication" shall mean any printed periodical,
16 including advertising supplements and other printed matter ultimately distributed
17 with or a part of printed periodicals, that:

18 (a) Appears at regular intervals, of not less than quarterly.

19 (b) Contains reports of a varied character, such as political, social, cultural,
20 sports, moral, religious, editorial comment, announcements, advertising, public
21 notices, or other subjects of general public interest.

22 * * *

23 §305. Exclusions and exemptions from the tax

24 A.

25 * * *

26 (4)(a) The purchase of feed and feed additives for the purpose of sustaining
27 animals which are held primarily for commercial, ~~business,~~ or agricultural use shall
28 be exempted from the taxes levied by taxing authorities. Notwithstanding any

1 provision of law to the contrary, the exemption authorized in this Paragraph shall be
2 applicable to all state sales and use tax levies.

3 (b) For purposes of this Subsection:

4 (i) "Commercial use" means the purchasing, producing, or maintaining of
5 animals, including breeding stock and race horses, for resale;

6 ~~(ii) "Business use" means the keeping and maintaining of animals which are~~
7 ~~used in performing services in conjunction with a business enterprise, such as sentry~~
8 ~~dogs and rental horses;~~

9 ~~(iii)~~ (ii) "Agricultural use" means the maintaining of work animals and beasts
10 of burden which are utilized in the activity of producing crops or animals for market,
11 in the production of food for human consumption, in the production of animal hides
12 or other animal products for market, or in the maintaining of breeding stock for the
13 propagation of such agricultural use animals.

14 * * *

15 D.(1) The sale at retail, the use, the consumption, the distribution, and the
16 storage to be used or consumed in the taxing jurisdiction of the following tangible
17 personal property is hereby specifically exempted from the tax imposed by taxing
18 authorities, except as otherwise provided in this Paragraph:

19 * * *

20 (a) Gasoline, not subject to the tax on motor fuels, shall be exempt from all
21 sales and use taxes imposed by the state.

22 * * *

23 (h) All energy sources when used for boiler fuel including pelletized paper
24 waste, ~~except~~ and ~~excluding~~ refinery gas. Notwithstanding any provision of law to
25 the contrary, this exemption shall be applicable to all state sales and use tax levies.

26 (i) New trucks, new automobiles, new aircraft, and new boats, vessels, or
27 other water craft withdrawn from stock by factory authorized new truck, new
28 automobile, new aircraft dealers, and factory-authorized dealers of new boats,
29 vessels, or other water craft, and used trucks and used automobiles withdrawn from

1 stock by new or used motor vehicle dealers, which are withdrawn for use as
2 demonstrators. Notwithstanding any provision of law to the contrary, this exemption
3 shall be applicable to all state sales and use tax levies.

4 * * *

5 (k)(i) Solely for purposes of the state sales and use tax, orthotic, including
6 but not limited to prescription eyeglasses and contact lenses, ~~and~~ prosthetic devices
7 ~~and~~, wheelchairs and wheelchair lifts, hearing aids, and augmentative
8 communication devices prescribed by physicians, optometrists ~~or~~, licensed
9 chiropractors, licensed audiologists, or licensed speech-language pathologists for
10 personal consumption or use.

11 * * *

12 (u) Solely for purposes of the state sales and use tax, adaptive driving
13 equipment and motor vehicle modifications prescribed for personal use by a
14 physician, a licensed chiropractor, or a driver rehabilitation specialist licensed by the
15 state. Notwithstanding any provision of law to the contrary, this exemption shall be
16 applicable to all state sales and use tax levies.

17 * * *

18 §305.11. Exclusions and exemptions; contracts prior to and within ninety days of
19 tax levy

20 A. No new or additional sales or use tax shall be applicable to sales of
21 materials or services involved in lump sum ~~or~~, unit price, fixed fee, or guaranteed
22 maximum price construction contracts entered into and reduced to writing prior to
23 the effective date of the statute or ordinance levying same or to sales or services
24 involved in such contracts entered into and reduced to writing within ninety days
25 thereafter, if such contracts involve contractual obligations undertaken prior to such
26 effective date and were computed and bid on the basis of sales taxes at the rates
27 effective and existing prior to such effective date.

28 * * *

1 §305.14. Exclusions and exemptions; nonprofit organizations; ~~nature of exemption;~~
2 limitations; qualifications; ~~newspapers;~~ determination of tax exempt status

3 A.(1)(a) ~~The sales and use taxes imposed by taxing authorities shall not~~
4 ~~apply to sales~~ Sales of tangible personal property at, ~~or admission or outside~~
5 ~~gate charges for, outside gate admissions to, or and~~ parking fees associated with,
6 qualifying events sponsored by a nonprofit organization shall be exempt from sales
7 and use taxes imposed by the state or any other taxing authority.

8 (a) For purposes of this Section, a qualifying event is an event that meets
9 both of the following criteria:

10 (i) It is sponsored by a nonprofit organization and the net proceeds from the
11 event are used exclusively for the purpose for which the organization is deemed to
12 be tax exempt under the Internal Revenue Code. "Net proceeds" means those
13 revenues from the event that are realized after accounting for customary expenses
14 of such an event which include but shall not be limited to fees paid for guest
15 speakers, chair and table rentals, and food and beverage utilities.

16 (ii) All for profit dealers or vendors participating in the event have registered
17 with the Department of Revenue for purposes of collection of sales and use and
18 individual and corporation income taxes.

19 ~~(b) Notwithstanding any other provision of this Section, the sales and use tax~~
20 ~~imposed by taxing authorities shall not apply to an event sponsored by a domestic~~
21 ~~nonprofit organization that is exempt from tax under Section 501(c)(3) of the~~
22 ~~Internal Revenue Code when the event provides Louisiana heritage, culture, crafts,~~
23 ~~art, food, and music, and the sponsor has contracted for production management and~~
24 ~~financing services for the event. Such services shall constitute necessary expenses~~
25 ~~of the sponsor for purposes of the event. The provisions of this Subparagraph shall~~
26 ~~apply only to the sales of tangible personal property and admission charges for,~~
27 ~~outside gate admissions to, or parking fees associated with an event when the sales,~~
28 ~~charges, and fees are payable to or for the benefit of the sponsor of the event. The~~
29 ~~provisions of this Subparagraph shall apply only to an event which transpires over~~

1 §305.19. Exclusions and exemptions; leased vessels used in the production of
2 minerals

3 The taxes imposed by taxing authorities shall not apply to those vessels
4 which are leased for use offshore beyond the territorial limits of this state for the
5 production of oil, gas, sulphur, and other minerals or for the providing of services to
6 those engaged in such production. Notwithstanding any other provision of law to the
7 contrary, the exemption established in this Section shall be applicable for all state
8 sales and use taxes levies.

9 * * *

10 §305.28. Exclusions and exemptions; gasohol

11 A. ~~The~~ Notwithstanding any other provision of law to the contrary, all sales
12 or use taxes imposed by the state of Louisiana or any such taxes imposed by any
13 parish or municipality or other local entity within the state shall not apply to the sale
14 at retail, the use, the consumption, the distribution, and the storage, to be used or
15 consumed in this state, of any motor fuel known as gasohol, containing a blend of
16 at least ten percent alcohol, if the alcohol therein has been produced, fermented, and
17 distilled in Louisiana from agricultural commodities. Alcohol to be used in gasohol
18 must have been rendered unsuitable for human consumption at the time of its
19 manufacture or immediately thereafter.

20 * * *

21 §305.44. Exclusions and exemptions; ~~raw~~ materials used in printing process

22 ~~A. The sales and use taxes imposed by the state under R.S. 47:302, R.S.~~
23 ~~47:321, and R.S. 47:331 and by any political subdivision shall not apply to purchases~~
24 ~~and sales of the following, including all chemical supplies necessary to produce such~~
25 ~~items whether manufactured by a printer or purchased from a subcontractor. The sale~~
26 or use of materials that are purchased for the purpose of inclusion into tangible
27 personal property to be sold at retail by a printer shall be exempt from all sales and
28 use taxes imposed by the state or any other taxing authority.

29 * * *

1 §305.47. Exclusions and exemptions; pharmaceutical samples distributed without
2 charge

3 The sales and use tax imposed by the state of Louisiana or any of its political
4 subdivisions shall not apply to pharmaceutical samples approved by the United
5 States Food and Drug Administration which are manufactured in the state or
6 imported into the state for distribution without charge to physicians, dentists, clinics,
7 or hospitals. Notwithstanding any provision of law to the contrary, this exemption
8 shall be applicable to all state sales and use tax levies.

9 §305.48. Exemption; automobiles owned by military personnel

10 ~~Solely for purposes of the sales and use taxes levied by the state, motor~~
11 Motor vehicles subject to the vehicle registration tax previously purchased in another
12 state by active duty military personnel stationed in Louisiana, shall, at the time of
13 transfer of registration, be exempt from such use tax imposed by ~~this Chapter~~ the
14 state or any other taxing authority if a sales tax was imposed and collected upon the
15 purchase of the motor vehicle by the state in which the vehicle was purchased and
16 the purchaser was a resident or stationed in the state where the taxes were paid. The
17 motor vehicle shall continue to be exempt from such use tax as long as the registered
18 owner remains on active duty in any branch of the armed forces of the United States
19 and is stationed in Louisiana.

20 §305.49. Catalog distribution; exemption

21 Notwithstanding any provision of law to the contrary, no sales or use tax shall
22 be imposed by the state or any political subdivision on the value of catalogs
23 distributed, or intended for distribution in the state, without charge to the recipient.
24 This exemption shall apply to all state sales and use tax levies.

25 §305.50. Exemption; vehicles used in interstate commerce; rail rolling stock;
26 railroad ties

27 * * *

28 E.

29 * * *

1 (1) "Event" means any event, large scale bid-upon event, activity, or
2 enterprise, excluding a trade show.

3 (2) "Large scale bid-upon event" means the instance when a nonprofit
4 organization, located in a parish with a population of more than two hundred fifty
5 thousand, whose mission is to bid upon, contract, and manage large scale sporting
6 and entertainment events on behalf of the state of Louisiana, has bid upon or been
7 awarded an event which may have a bid requirement of a waiver of taxes or a waiver
8 of all tax has been offered as an enhancement to significantly increase the probability
9 of awarding the event to Louisiana.

10 (3) "Sales" means sales of taxable services and tangible personal property
11 at an event at a state-owned domed facility or baseball facility, or on the publicly
12 owned property on which the facility is located, or as provided in Subsection F of
13 this Section.

14 (4) "State-owned domed facility or baseball facility" means a public facility
15 or site that is owned and operated by or for the state, or any of its agencies, boards,
16 or commissions and is located within a body politic and corporate and political
17 subdivision of the state composed of more than one parish and that meets any of the
18 following criteria:

19 (a) A domed facility which has a seating capacity of at least seventy
20 thousand, or the publicly owned property on which the facility is located.

21 (b) A domed facility which has a seating capacity of at least twelve thousand
22 five hundred, or the publicly owned property on which the facility is located.

23 (c) An open baseball site, or the property on which the site is located, which
24 site has a seating capacity of at least seven thousand five hundred, and has a
25 professional sports franchise that participates in Class Triple-A professional baseball.

26 (5) "Trade show" means a trade show or other event at which the sale of
27 goods is the primary purpose of the event.

1 B. Exemptions. (1) Sales occurring for or at an event at a state-owned
2 domed facility or baseball facility shall be exempt from sales and use taxes imposed
3 by the state and any other taxing authority as follows:

4 (a) Admission tickets to athletic contests or any large scale bid-upon events
5 or any other events allowed under an existing lease or extension thereof, including
6 for such contests and events where sales tax obligations created on or after April 1,
7 2016, were absorbed and the outstanding tax has yet to be remitted, sold in either of
8 the following:

9 (i) The primary ticket market.

10 (ii) Secondary market ticket sales by a nonprofit host organization whose
11 mission is to bid upon, contract, and manage large scale sporting and entertainment
12 events on behalf of the state of Louisiana.

13 (b) Any sale, service, or other transaction, including the sale of parking, and
14 for purposes of a state-owned baseball facility, parking on adjacent property under
15 the same jurisdiction, such sales occurring in the facility in connection with athletic
16 contests or any large scale bid-upon events or any other events allowed under an
17 existing lease or extension thereof.

18 (c) Sales of goods from a team merchandise store at the facility.

19 (d) Fifty percent of the cost price of admission tickets to events, activities,
20 or enterprises other than tickets to athletic contests or any large scale bid-upon
21 events, including for such contests and events where sales tax obligations created on
22 or after April 1, 2016, were absorbed and the outstanding tax has yet to be remitted,
23 wherever sold.

24 (e) Tours of the facility.

25 (f) The full price of admission on tickets for nonathletic events and any sale,
26 service, or other transaction, including the sale of parking, relating to such
27 nonathletic events, if the event was bid upon, awarded, or under contract on or before
28 September 1, 2016.

1 (2) Disposition of state tax proceeds. Of the monies remaining after
2 satisfaction of the requirements of Article VII, Section 9(B) of the Constitution of
3 Louisiana concerning the Bond Security and Redemption Fund, and R.S. 47:318(A)
4 concerning support of economic development, an amount equal to thirty percent of
5 the proceeds of the tax imposed under R.S. 47:321 on sales occurring for or at the
6 state-owned domed facility described in Subparagraph (A)(4)(a) of this Section shall
7 be allocated one-half to the Louisiana School of Math, Science, and the Arts, and
8 one-half to the New Orleans Center for Creative Arts. All monies remaining
9 thereafter shall be deposited into the state general fund. For purposes of this
10 allocation, on the last day of November of each year the secretary of the Department
11 of Revenue shall provide to the chairman of the Joint Legislative Committee on the
12 Budget and the commissioner of administration an official estimate of the amount
13 of state revenues received within the previous twelve months which were derived
14 from the tax imposed pursuant to R.S. 47:321 from sales for or at the state-owned
15 domed facility described in Subparagraph (A)(4)(a) of this Section. The estimate
16 shall be utilized by the commissioner of administration in the preparation of the
17 following year's executive budget in which a recommendation shall be made to
18 appropriate such amounts as may be necessary to provide for this allocation.

19 (3) Disposition of local tax proceeds from event sales at a state-owned
20 domed facility.

21 (a) If the local sales and use tax proceeds were derived from event sales at
22 a facility located on the property of a public postsecondary educational institution
23 located in the parish, all such tax proceeds shall be distributed to that institution. This
24 provision shall not apply to the Baton Rouge River Center or the Cajundome and
25 Convention Center.

26 (b) After satisfaction of the requirements of Subparagraph (a) of this
27 Paragraph, of the total remaining local sales and use tax proceeds in a parish having
28 a population in excess of three hundred twenty thousand and less than four hundred
29 thousand persons as of the latest federal decennial census, which proceeds were

1 derived from event sales at a state-owned domed facility subject to the provisions of
2 this Section, an amount equal to twenty percent shall be distributed to the New
3 Orleans Council on Aging. Monies to satisfy this dedication shall be derived
4 proportionately from the sales and use tax distributions for the following purposes:
5 fifty percent from the Orleans Parish School Board and fifty percent from the
6 Regional Transit Authority.

7 (c) After satisfaction of the requirements of Subparagraph (a) of this
8 Paragraph, of the total remaining local sales and use tax proceeds derived from event
9 sales at the Angola State Penitentiary Prison Rodeo, an amount equal to sixty-six
10 percent shall be allocated to the West Feliciana Parish School Board, and an amount
11 equal to thirty-four percent shall be allocated to the West Feliciana Council on
12 Aging.

13 C. The exemptions established in this Section shall apply to any event,
14 activity, or enterprise held in conjunction with athletic events or any large scale bid-
15 upon event or other event allowed under an existing lease or an extension thereof,
16 inclusive of activities within and adjacent to the facility to which the exemptions
17 apply.

18 D. The exemptions established in this Section shall not extend to any sale of
19 services or tangible personal property not specifically provided for in this Section.

20 E. The provisions of this Section shall not be interpreted as either imposing
21 or rendering the following activities subject to the imposition of any state or local
22 tax:

23 (1) Sales of admission tickets and parking for intercollegiate athletic events
24 sponsored or promoted by a Louisiana-based college or university, including any
25 conferences, leagues, and associations in which they participate, and a nonprofit
26 organization affiliated with such college or university.

27 (2) Sales of admission tickets and parking for high school athletic events
28 sponsored or promoted by a Louisiana high school, including any conferences,
29 leagues, and associations in which they participate.

1 (3) Sales of admission tickets and parking for youth sports events sponsored
2 or promoted by a Louisiana-based youth sports league or association.

3 F. Notwithstanding any provision of law to the contrary, for purposes of state
4 and local sales and use taxes, the exemptions provided in Subsection B of this
5 Section shall apply to sales for or at a regularly scheduled major annual sporting
6 event when the income taxes attributable to the nonresident professional athletes
7 participating in the event are dedicated to the Sports Facility Assistance Fund in
8 accordance with the provisions of R.S. 39:100.1.

9 G. Notwithstanding any provision of law to the contrary, including any
10 contrary provisions of R.S. 47:302(X), (Y) or (AA), R.S. 47:321(L) and (M), R.S.
11 47:321.1(F), or R.S. 47:331(S) and (T), and except as otherwise specifically provided
12 for in Subparagraphs (B)(1)(a), (d), and (f) of this Section, the exemptions from state
13 sales and use taxes authorized in this Section shall be applicable and effective on and
14 after April 1, 2016.

15 §305.74. Exemption; Sales at certain public facilities

16 A. The provisions of this Section shall apply to any public facility that is not
17 subject to the provisions of R.S. 47:305.73.

18 B. Definitions. For purposes of this Section the following terms and phrases
19 shall have the following meanings:

20 (1) "Event" means any event, large scale bid-upon event, activity, or
21 enterprise, excluding a trade show.

22 (2) "Large scale bid-upon event" means the instance when a nonprofit
23 organization, located in a parish with a population of more than two hundred fifty
24 thousand, whose mission is to bid upon, contract, and manage large scale sporting
25 and entertainment events on behalf of the state of Louisiana, has bid upon or been
26 awarded an event which may have a bid requirement of a waiver of taxes or a waiver
27 of all tax has been offered as an enhancement to significantly increase the probability
28 of awarding the event to Louisiana.

1 (3) "Locally or university-owned domed facility" means a domed arena
2 facility and adjacent and connected facilities which are under the jurisdiction of any
3 political subdivision or any commission of such political subdivision if the domed
4 arena facility on such property has a seating capacity of at least twelve thousand five
5 hundred and is located within a parish with a population of more than one hundred
6 eighty-five thousand according to the most recent federal decennial census, or the
7 publicly-owned property on which the facilities are located.

8 (4) "Public facility" means a facility, other than a locally or university-
9 owned domed facility or a facility subject to the provisions of R.S. 47:305.93, that
10 is owned and operated by or for the state, or any of its agencies, boards, or
11 commissions, or by any political subdivision, or on the publicly-owned property on
12 which the facility is located.

13 (5) "Sales" means sales of taxable services and tangible personal property
14 at an event at a public facility or a locally or university-owned domed facility.

15 (6) "Trade show" means a trade show or other event at which the sale of
16 goods is the primary purpose of the event.

17 C. Exemptions for event sales at a public facility or locally or university-
18 owned domed facility.

19 (1) The exemptions from the state sales and use tax for event sales shall be
20 the same as those in effect for purposes of local sales and use taxes.

21 (2) A local taxing authority may adopt exemptions from any tax levied by
22 that authority for any and all event sales occurring at a public facility or a locally or
23 university-owned domed facility within the jurisdiction of the local taxing authority.

24 (3) As an alternative to the provisions of Paragraph (2) of this Subsection,
25 a local taxing authority may adopt any of the following exemptions:

26 (a) Admission tickets to athletic events sold in either of the following:

27 (i) The primary ticket market.

28 (ii) Secondary market ticket sales by a nonprofit host organization.

1 (b) Any sale, service, or other transaction occurring in such facility in
2 connection with officially sanctioned events affiliated with athletic contests held at
3 a facility subject to the provisions of R.S. 47:305.73.

4 (c) Sales of goods from a team merchandise store at the facility.

5 (d) Fifty percent of the cost price of admission tickets to events, activities,
6 or enterprises other than tickets to athletic events, wherever sold.

7 (e) Tours of the facility.

8 (f) The full price of admission on tickets for nonathletic events if the event
9 was bid upon, awarded, or under contract on or before September 1, 2016.

10 (g) Parking pursuant to events allowed under an existing lease or extension
11 thereof.

12 D. The exemptions provided in this Section shall apply to any event, activity,
13 or enterprise held in conjunction with athletic events or any large scale bid-upon
14 event or other event allowed under an existing lease or an extension thereof,
15 inclusive of activities within and adjacent to the facility to which the exemptions
16 apply.

17 E. Disposition of local tax proceeds.

18 (1) If the local sales and use tax proceeds were derived from event sales at
19 a public facility located on the property of a public postsecondary educational
20 institution located in the parish, all such tax proceeds shall be distributed to that
21 institution; however, the provisions of this Subsection shall not apply to tax proceeds
22 from sales associated with an event at a locally or university-owned domed facility.

23 (2) After satisfaction of the requirements of Paragraph (1) of this Subsection,
24 of the total remaining local sales and use tax proceeds in a parish having a population
25 in excess of three hundred twenty thousand and less than four hundred thousand
26 persons as of the latest federal decennial census which proceeds were derived from
27 event sales at a public facility subject to the provisions of this Section, an amount
28 equal to twenty percent shall be distributed to the New Orleans Council on Aging.
29 Monies to satisfy this dedication shall be derived proportionately from the sales and

1 use tax distributions for the following purposes: fifty percent from the Orleans
2 Parish School Board and fifty percent from the Regional Transit Authority.

3 (3) After satisfaction of the requirements of Paragraph (1) of this
4 Subsection, of the total remaining local sales and use tax proceeds derived from
5 event sales at the Angola State Penitentiary Prison Rodeo, an amount equal to sixty-
6 six percent shall be allocated to the West Feliciana Parish School Board, and an
7 amount equal to thirty-four percent shall be allocated to the West Feliciana Council
8 on Aging.

9 F. The provisions of this Section shall not be interpreted as either imposing
10 or rendering the following activities subject to the imposition of any state or local
11 tax:

12 (1) Sales of admission tickets and parking for intercollegiate athletic events
13 sponsored or promoted by a Louisiana-based college or university, including any
14 conferences, leagues, and associations in which they participate, and a nonprofit
15 organization affiliated with such a college or university.

16 (2) Sales of admission tickets and parking for high school athletic events
17 sponsored or promoted by a Louisiana high school, including any conferences,
18 leagues, and associations in which they participate.

19 (3) Sales of admission tickets and parking for youth sports events sponsored
20 or promoted by a Louisiana-based youth sports league or association.

21 G. Notwithstanding any provision of law to the contrary, including any
22 contrary provisions of R.S. 47:302(X) and (Y), R.S. 47:321(L) and (M), R.S.
23 47:321.1(F), or R.S. 47:331(S) and (T), and except as otherwise specifically provided
24 for in Subparagraph (C)(3)(f) of this Section, the exemptions from state sales and use
25 taxes authorized in this Section shall be applicable and effective on and after April
26 1, 2016.

1 §305.75. Exemption; certain major entertainment events sponsored by a domestic
2 nonprofit organization

3 Sales of admission to an event which meets both of the following
4 requirements shall be exempt from sales taxes imposed by the state or any other
5 taxing authority to the extent of one-half of the admission price.

6 (1) The event is sponsored by a domestic nonprofit organization that is
7 exempt from tax under Section 501(c)(3) of the Internal Revenue Code when the
8 event provides Louisiana heritage, culture, crafts, art, food, and music, and the
9 sponsor has contracted for production management and financing services for the
10 event, such services constituting necessary expenses of the sponsor for purposes of
11 the event.

12 (2) The event transpires over a minimum of seven but not more than twelve
13 days and has a five-year annual average attendance of at least three hundred
14 thousand over the duration of the event. For purposes of determining the five-year
15 annual average attendance, the calculation shall include the total annual attendance
16 for each of the five most recent years.

17 §305.76. Exemption; contracts for construction or overhaul of U.S. Navy vessels

18 Any actions performed, including leases of property, pursuant to a contract
19 with the United States Department of the Navy for construction or overhaul of U.S.
20 Navy vessels shall be exempt from sales and use taxes imposed by the state or any
21 other taxing authority.

22 §305.77. Exemption; certain parochial and private schools

23 The sale, purchase, use, lease, or rental of tangible personal property or
24 services by an approved parochial and private elementary and secondary school
25 which complies with the court order from the Dodd Brumfield decision and Section
26 501(c)(3) of the Internal Revenue Code shall be exempt from sales and use taxes
27 imposed by the state or any other taxing authority, as follows:

28 (1) Sale of tangible personal property by the school, its students,
29 administrators, teachers, or other employees, if the money from such sale, less

1 reasonable and necessary expenses associated with the sale, is used solely and
2 exclusively to support the school or its program or curricula, shall be exempt from
3 tax. This exemption shall not be construed to allow tax-free sales to students or their
4 families by promoters or regular commercial dealers through the use of schools,
5 school faculty, or school facilities.

6 (2) Purchase, use, lease, or rental of educational materials or equipment for
7 classroom instruction purposes, limited to books, workbooks, computers, computer
8 software, films, videos, and audio tapes shall be exempt from tax.

9 (3) Purchase of food items for school lunch or breakfast programs by
10 nonpublic elementary or secondary schools which participate in the National School
11 Lunch and School Breakfast programs or the purchase of food items by nonprofit
12 organizations which serve students in nonpublic elementary or secondary schools
13 and which participate in the National School Lunch and School Breakfast programs
14 shall be exempt from tax.

15 §305.78. Exemption; lease or rental of motor vehicles by a motor vehicle dealer for
16 purposes of warranty agreements

17 The lease or rental of motor vehicles by a licensed motor vehicle dealer, as
18 defined in R.S. 32:1252(35), or a vehicle manufacturer, as defined in R.S.
19 32:1252(24), for their use in furnishing such leased or rented motor vehicles to their
20 customers in performance of their obligations under warranty agreements associated
21 with the purchase of a motor vehicle, or when the applicable warranty has lapsed and
22 the leased or rented motor vehicle is provided to the customer at no charge, shall be
23 exempt from sales and use taxes imposed by the state or any other taxing authority.

24 §305.79. Exemption; sales of repair services associated with a motor vehicle
25 warranty

26 The repair of a vehicle, including services and parts, by a licensed motor
27 vehicle dealer which is performed subsequent to the lapse of the applicable warranty
28 on that vehicle and at no charge to the owner of the vehicle shall be exempt from
29 sales and use taxes imposed by the state or any other taxing authority.

1 §305.80. Exemption; human tissue transplants

2 The sale of any human tissue transplants, which shall be defined to include
3 all human organs, bone, skin, cornea, blood, or blood products transplanted from one
4 individual into another recipient individual shall be exempt from sales and use taxes
5 imposed by the state or any other taxing authority.

6 §305.81. Exemption; food items sold by certain youth service organizations

7 The sale of food items by youth serving organizations chartered by congress
8 shall be exempt from sales and use taxes imposed by the state or any other taxing
9 authority.

10 §305.82. Exemption; volunteer and public fire departments

11 The sale or purchase of equipment used in fire fighting by a bona fide
12 volunteer or public fire department shall be exempt from sales and use taxes imposed
13 by the state or any other taxing authority.

14 §305.83. Exemption; telephone directories

15 The transfer of title to or possession of telephone directories by an advertising
16 company that is not affiliated with a provider of telephone services shall be exempt
17 from all sales and use taxes imposed by the state or any other taxing authority if the
18 telephone directories are distributed to the public free of charge.

19 §305.84. Exemption; sales by the Military Department

20 Sales of tangible personal property by the Military Department, state of
21 Louisiana, which occur on an installation or other property owned or operated by the
22 Military Department shall be exempt from sales and use taxes imposed by the state
23 or any other taxing authority.

24 §305.85. Exemption; thrift shops located on military installations

25 Sales at a thrift shop located on a military installation shall be exempt from
26 sales and use taxes imposed by the state or any other taxing authority.

27 §305.86. Exemption; anthropogenic carbon dioxide

28 Sale of anthropogenic carbon dioxide for use in a qualified tertiary recovery
29 project approved by the assistant secretary of the office of conservation of the

1 Department of Natural Resources pursuant to R.S. 47:633.4 shall be exempt from
2 sales and use taxes imposed by the state or any other taxing authority.

3 §305.87. Exemption; athletic entertainment; schools, colleges and universities

4 Sales of admission to the following types of events shall be exempt from
5 sales and use taxes imposed by the state or any other taxing authority:

6 (1) Athletic entertainment events occurring at a college or university.

7 (2) Athletic entertainment events occurring at an elementary or secondary
8 school.

9 §305.88. Exemption; membership fees or dues for certain organizations

10 The sales of membership and access privileges for the facilities of a nonprofit
11 civic organization, including by way of illustration and not of limitation the Young
12 Men's Christian Association, the Catholic Youth Organization, and the Young
13 Women's Christian Association, shall be exempt from sales and use taxes imposed
14 by the state or any other taxing authority. For purposes of this Section, "nonprofit
15 organization" means a nonprofit organization which is deemed to be exempt under
16 Section 501(c)(3) of the Internal Revenue Code.

17 §305.89. Exemption; sales of sleeping rooms by certain camp and retreat facilities

18 Sales of sleeping rooms by a camp or retreat facility owned and operated by
19 a nonprofit organization, the net revenue from which is used solely for the purpose
20 for which the nonprofit organization qualifies for its exempt status under Section
21 501(c)(3) of the Internal Revenue Code, shall be exempt from sales and use taxes
22 imposed by the state or any other taxing authority. Any other sales of sleeping
23 rooms or other accommodations at such facilities shall be subject to tax.

24 §305.90. Exemption; pharmaceuticals administered to livestock used for agricultural
25 purposes

26 Sales or use of pharmaceuticals administered to livestock used for
27 agricultural purposes shall be exempt from sales and use taxes imposed by the state
28 or any other taxing authority. Only pharmaceuticals registered with the Louisiana
29 Department of Agriculture and Forestry shall be eligible for this exemption.

1 §305.91. Exemption; custom software

2 Notwithstanding any other provision of law to the contrary, sales of services
3 and tangible personal property constituting custom software shall be exempt from
4 sales and use taxes imposed by the state or any other taxing authority. Pre-written
5 software contained within custom software shall be subject to tax. For purposes of
6 this Section, the terms "custom software" and "pre-written software" shall have the
7 meanings defined in R.S. 47:301(23).

8 §305.92. Exemption; blood banks

9 Sale or use of materials used directly in the collection, separation, treatment,
10 testing, and storage of blood, and apheresis kits and leuko reduction filters utilized
11 by nonprofit blood banks and nonprofit blood collection centers shall be exempt
12 from sales and use taxes imposed by the state or any other taxing authority.

13 §305.93. Exemption; investment grade bullion

14 Sale or use of investment grade platinum, gold, or silver bullion shall be
15 exempt from sales and use taxes imposed by the state or any other taxing authority.

16 §305.94. Exemption; mass communication industries

17 A. Raw materials used to print a news publication. Sales and use of the
18 following, including all chemical supplies necessary to produce such items whether
19 manufactured by a printer or purchased from a subcontractor if purchased by a news
20 publication, as defined in R.S. 47:301(24), shall be exempt from sales and use taxes
21 imposed by the state or any other taxing authority:

22 (1) Artwork.

23 (2) Blankets and bars.

24 (3) Chemicals.

25 (4) Color separations.

26 (5) Dies.

27 (6) Film, including negatives.

28 (7) Offset plates.

29 (8) Press proofs and photomechanical proofs.

1 (9) Layouts.

2 (10) Typesetting.

3 (11) Rubber plates.

4 (12) Paper.

5 (13) Ink.

6 B. Sales or use of newspapers shall be exempt from sales and use taxes
7 imposed by the state or any other taxing authority.

8 C. Sales or use of machinery and equipment for a radio or television station
9 located in Louisiana, which property is mandated for a license for radio or television
10 broadcasting from the Federal Communications Commission, shall be exempt from
11 the sales and use tax imposed by the state or any other taxing authority.

12 D. Sales or use taxes paid by person for machinery or equipment for a news
13 publication may be eligible for a refund of the amount of tax paid as provided under
14 R.S. 47:315.11.

15 §305.95. Exemption; nonprofit organizations; donations

16 A. Sales or use of any tangible personal property that is purchased by a
17 nonprofit organization deemed to be tax exempt under Section 501(c)(3) of the
18 Internal Revenue Code shall be exempt from sales and use taxes imposed by the state
19 and any other taxing authority if all of the following requirements are met:

20 (1) The tangible personal property is purchased with monies donated to the
21 nonprofit organization.

22 (2) The tangible personal property is donated free of charge for charitable
23 purposes for which the nonprofit organization is deemed to be tax exempt under
24 federal law.

25 (3) The nonprofit organization maintains a current certificate of exemption
26 granted by the secretary of the Department of Revenue for purposes of this Section.

27 B. Any use of property eligible for the exemption provided for in Subsection
28 A of this Section shall be exempt from the use tax imposed by any taxing authority.

1 §315.6. Sales tax refund; sales, leases, and rentals of manufacturing machinery and
2 equipment

3 A. A manufacturer, as defined in Subsection E of this Section, who has paid
4 sales, use, and lease or rental taxes, levied by the state or a political subdivision
5 whose boundaries are coterminous with those of the state, upon the sale, lease, or
6 rental of machinery and equipment when such machinery and equipment as defined
7 in Subsection E of this Section, is used by the manufacturer in a plant facility
8 predominantly and directly in the actual manufacturing for agricultural purposes or
9 the actual manufacturing process of an item of tangible personal property, which is
10 for ultimate sale to another and not for internal use, at one or more fixed locations
11 within Louisiana, shall be entitled to a refund of the amount of tax paid on such
12 property, provided the person claiming the refund has been certified as a
13 manufacturer by the secretary of the Department of Revenue.

14 B. No refund shall be made under the provisions of this Section unless a
15 claim for refund covering the amount of sales, use, lease or rental tax paid is filed on
16 or before the thirty-first day of December of the year in which the tax became due
17 or after one year from the date the tax was paid, whichever is the later.

18 C. Requests for refunds of state sales and use tax pursuant to this Section
19 shall be processed by the Department of Revenue as follows:

20 (1) A properly completed refund request shall be submitted to the
21 Department of Revenue on forms provided by the Department of Revenue. For
22 purposes of this Section, a properly completed refund request shall mean a refund
23 request that includes the general information required on the face of the request, is
24 signed, and includes a copy of each invoice and all required schedules. The request
25 shall be submitted electronically unless the secretary of the Department of Revenue
26 grants permission to submit the request in an alternate form. A copy of the taxpayer's
27 approved certification for the Manufacturing Machinery and Equipment shall be
28 included.

1 (2) Within sixty days of the receipt of a properly completed refund request,
2 the Department of Revenue shall refund approximately seventy-five percent of the
3 total amount of the requested refund. Within sixty days after the date of the issuance
4 of the first refund, the Department of Revenue shall issue the remainder of the
5 amount of the refund. The Department of Revenue shall audit the refund request
6 within three months of the receipt of a properly filed refund request. During such
7 three-month period, the Department of Revenue shall disallow items determined to
8 be ineligible for refund. The Department of Revenue shall refund the remaining
9 twenty-five percent of the amount claimed on the refund request less any amounts
10 properly disallowed during the three-month audit period. The Department of
11 Revenue shall make such refund from the current collections of the taxes collected
12 pursuant to Chapter 2, Chapter 2-A, or Chapter 2-B of Subtitle II of Title 47 of the
13 Louisiana Revised Statutes of 1950, as amended. Any sales and use tax refund
14 issued shall be subject to subsequent audit by the Department of Revenue, and any
15 refund amount determined to be in excess of that which should have been allowed
16 shall be subject to collection by the Department of Revenue.

17 D. Any local political subdivision may provide for a refund of the local sales
18 and use taxes levied on the sale, lease, or rental of machinery and equipment as
19 provided for in this Section.

20 E. For purposes of this Section, the following definitions shall apply:

21 (1) "Machinery and equipment" means tangible personal property or other
22 property that is eligible for depreciation for federal income tax purposes and that is
23 used as an integral part in the manufacturing of tangible personal property for sale.
24 "Machinery and equipment" shall also mean tangible personal property or other
25 property that is eligible for depreciation for federal income tax purposes and that is
26 used as an integral part of the production, processing, and storing of food and fiber
27 or of timber.

28 (a) Machinery and equipment, for purposes of this Section, also includes but
29 is not limited to the following:

1 (i) Computers and software that are an integral part of the machinery and
2 equipment used directly in the manufacturing process.

3 (ii) Machinery and equipment necessary to control pollution at a plant
4 facility where pollution is produced by the manufacturing operation.

5 (iii) Machinery and equipment used to test or measure raw materials, the
6 property undergoing manufacturing, or the finished product, when such test or
7 measurement is a necessary part of the manufacturing process.

8 (iv) Machinery and equipment used by an industrial manufacturing plant to
9 generate electric power for self consumption or cogeneration.

10 (v) Machinery and equipment used by a manufacturer in a plant facility
11 predominantly and directly in the actual manufacturing for agricultural purposes,
12 including, but not limited to rubber tired farm tractors, cane harvesters, cane loaders,
13 cotton pickers, combines, haybalers, attachments and sprayers, clippers, cultivators,
14 discs, plows, and spreaders.

15 (vi) Machinery and equipment used to manufacture, produce, or extract
16 unblended biodiesel.

17 (vii) Machinery and equipment used by a motor vehicle manufacturer with
18 a North American Industry Classification System (NAICS) Code beginning with
19 3361.

20 (viii) Machinery and equipment used by a glass container manufacturer with
21 a North American Industry Classification System (NAICS) Code of 327213.

22 (ix) Machinery and equipment that performs tooling in a compression mold
23 process.

24 (x) Machinery and equipment purchased by a utility company assigned the
25 North American Industrial Classification System (NAICS) Code 22111 as such code
26 existed in 2002, which company is regulated by the Public Service Commission or
27 the council of the city of New Orleans.

28 (b) Machinery and equipment, for purposes of this Section, does not include
29 any of the following:

1 (i) A building and its structural components, unless the building or structural
2 component is so closely related to the machinery and equipment that it houses or
3 supports that the building or structural component can be expected to be replaced
4 when the machinery and equipment are replaced.

5 (ii) Heating, ventilation, and air-conditioning systems, unless their
6 installation is necessary to meet the requirements of the manufacturing process, even
7 though the system may provide incidental comfort to employees or serve, to an
8 insubstantial degree, nonproduction activities.

9 (iii) Tangible personal property used to transport raw materials or
10 manufactured goods prior to the beginning of the manufacturing process or after the
11 manufacturing process is complete.

12 (iv) Tangible personal property used to store raw materials or manufactured
13 goods prior to the beginning of the manufacturing process or after the manufacturing
14 process is complete.

15 (2) "Manufacturer" means:

16 (a) A person whose principal activity is manufacturing, as defined in this
17 Subparagraph, and who is assigned by the Louisiana Workforce Commission a North
18 American Industrial Classification System (NAICS) code within the agricultural,
19 forestry, fishing, and hunting Sector 11, the manufacturing Sectors 31-33, the
20 information Sector 511110 as they existed in 2002, industry code 22111 or industry
21 code 423930 as a recyclable material merchant wholesaler engaged in manufacturing
22 activities, which must include shredding facilities, as determined by the secretary of
23 the Department of Revenue.

24 (b) A person whose principal activity is manufacturing and who is not
25 required to register with the Louisiana Workforce Commission for purposes of
26 unemployment insurance, but who would be assigned a North American Industrial
27 Classification System (NAICS) code within the agricultural, forestry, fishing, and
28 hunting Sector 11, the manufacturing Sectors 31-33, the information Sector 511110
29 as they existed in 2002, as determined by the Department of Revenue from federal

1 income tax data, if he were required to register with the Louisiana Workforce
2 Commission for purposes of unemployment insurance.

3 (3) "Manufacturing" means putting raw materials through a series of steps
4 that brings about a change in their composition or physical nature in order to make
5 a new and different item of tangible personal property that will be sold to another.
6 Manufacturing begins at the point at which raw materials reach the first machine or
7 piece of equipment involved in changing the form of the material and ends at the
8 point at which manufacturing has altered the material to its completed form. Placing
9 materials into containers, packages, or wrapping in which they are sold to the
10 ultimate consumer is part of this manufacturing process. Manufacturing, for
11 purposes of this Subparagraph, does not include any of the following:

12 (a) Repackaging or redistributing.

13 (b) The cooking or preparing of food products by a retailer in the regular
14 course of retail trade.

15 (c) The storage of tangible personal property.

16 (d) The delivery of tangible personal property to or from the plant.

17 (e) The delivery of tangible personal property to or from storage within the
18 plant.

19 (f) Actions such as sorting, packaging, or shrink wrapping the final material
20 for ease of transporting and shipping.

21 (4) "Manufacturing for agricultural purposes" means the production,
22 processing, and storing of food and fiber and the production, processing, and storing
23 of timber.

24 (5) "Plant facility" means a facility, at one or more locations, in which
25 manufacturing, referred to in Sectors 11 and 31-33 of the North American Industrial
26 Classification System (NAICS) as of 2002, of a product of tangible personal property
27 takes place.

28 (6) "Used directly" means used in the actual process of manufacturing or
29 manufacturing for agricultural purposes.

1 §315.7. Sales tax refund; pollution control devices or systems necessary for
2 compliance with state or federal law

3 A. A person that has paid sales, use, and lease or rental taxes levied by the
4 state on the purchase or lease of an eligible pollution control device or system shall
5 be entitled to a refund of the amount of tax paid on such property, provided the
6 person claiming the refund has been certified by the secretary of the Department of
7 Revenue as an eligible taxpayer for purposes of this refund.

8 B. An eligible pollution control device or system for purposes of the tax
9 refund shall meet all of the following requirements:

10 (1) Be approved by the Department of Revenue and the Department of
11 Environmental Quality;

12 (2) Be sold or leased, and used exclusively for the purpose of eliminating or
13 reducing the volume or toxicity of industrial pollution of air, land, water, or
14 groundwater in Louisiana.

15 (3) Produce data sufficient to demonstrate a net decrease in the volume or
16 toxicity of the environmental hazard for which the device or system was purchased
17 or leased that can be directly attributable to the installation of the device or system.
18 However, property that provides only limited or incidental reductions in the volume
19 or toxicity of pollution shall not qualify when such property is acquired primarily for
20 the production of goods and services and is integral to a profit-motivated business
21 purpose or activity.

22 (4) Be necessary to comply with federal or state environmental laws or
23 regulations.

24 C. No refund shall be made under the provisions of this Section unless a
25 claim for refund covering the amount of sales, use, lease, or rental tax paid is filed
26 on or before the thirty-first day of December of the year in which the tax became due
27 or after one year from the date the tax was paid, whichever is the later.

28 D. Requests for refunds of state sales and use tax pursuant to this Section
29 shall be processed by the Department of Revenue as follows:

1 (1) A properly completed refund request shall be submitted to the
2 Department of Revenue on forms provided by the Department of Revenue. For
3 purposes of this Section, a properly completed refund request shall mean a refund
4 request that includes the general information required on the face of the request, is
5 signed, and includes a copy of each invoice and all required schedules. The request
6 shall be submitted electronically unless the secretary of the Department of Revenue
7 grants permission to submit the request in an alternate form. A copy of the taxpayer's
8 approved certification as an eligible institution shall be included.

9 (2) Within sixty days of the receipt of a properly completed refund request,
10 the Department of Revenue shall refund approximately seventy-five percent of the
11 total amount of the requested refund. Within sixty days after the date of the issuance
12 of the first refund, the Department of Revenue shall issue the remainder of the
13 amount of the refund. The Department of Revenue shall audit the refund request
14 within three months of the receipt of a properly filed refund request. During such
15 three-month period, the Department of Revenue shall disallow items determined to
16 be ineligible for refund. The Department of Revenue shall refund the remaining
17 twenty-five percent of the amount claimed on the refund request less any amounts
18 properly disallowed during the three-month audit period. The Department of
19 Revenue shall make the refund from the current collections of the taxes collected
20 pursuant to Chapter 2, Chapter 2-A, or Chapter 2-B of Subtitle II of Title 47 of the
21 Louisiana Revised Statutes of 1950, as amended. Any sales and use tax refund issued
22 shall be subject to subsequent audit by the Department of Revenue, and any refund
23 amount determined to be in excess of that which should have been allowed shall be
24 subject to collection by the Department of Revenue.

25 E. Any local political subdivision may provide for a refund of the local sales
26 and use taxes levied on the sale, lease, or rental of tangible personal property or
27 services as provided for in this Section.

1 §315.8. Sales tax refund; regionally accredited institutions of higher education

2 A. A regionally accredited institution of higher education that has paid sales,
3 use, and lease or rental taxes levied by the state on tangible personal property or
4 services directly related to the educational mission of the institution shall be entitled
5 to a refund of the amount of tax paid on such property or services, provided the
6 institution claiming the refund has been certified as an eligible institution by the
7 secretary of the Department of Revenue.

8 B. No refund shall be made under the provisions of this Section unless a
9 claim for refund covering the amount of sales, use, lease or rental tax paid is filed on
10 or before the thirty-first day of December of the year in which the tax became due
11 or after one year from the date the tax was paid, whichever is later.

12 C. Requests for refunds of state sales and use tax pursuant to this Section
13 shall be processed by the Department of Revenue as follows:

14 (1) A properly completed refund request shall be submitted to the
15 Department of Revenue on forms provided by the Department of Revenue. For
16 purposes of this Section, a properly completed refund request shall mean a refund
17 request that includes the general information required on the face of the request, is
18 signed, and includes a copy of each invoice and all required schedules. The request
19 shall be submitted electronically unless the secretary of the Department of Revenue
20 grants permission to submit the request in an alternate form. A copy of the taxpayer's
21 approved certification as an eligible institution shall be included.

22 (2) Within sixty days of the receipt of a properly completed refund request,
23 the Department of Revenue shall refund approximately seventy-five percent of the
24 total amount of the requested refund. Within sixty days after the date of the issuance
25 of the first refund, the Department of Revenue shall issue the remainder of the
26 amount of the refund. The Department of Revenue shall audit the refund request
27 within three months of the receipt of a properly filed refund request. During such
28 three-month period, the Department of Revenue shall disallow items determined to
29 be ineligible for refund. The Department of Revenue shall refund the remaining

1 twenty-five percent of the amount claimed on the refund request less any amounts
2 properly disallowed during the three-month audit period. The Department of
3 Revenue shall make the refund from the current collections of the taxes collected
4 pursuant to Chapter 2, Chapter 2-A, or Chapter 2-B of Subtitle II of Title 47 of the
5 Louisiana Revised Statutes of 1950, as amended. Any sales and use tax refund issued
6 shall be subject to subsequent audit by the Department of Revenue, and any refund
7 amount determined to be in excess of that which should have been allowed shall be
8 subject to collection by the Department of Revenue.

9 D. Any local political subdivision may provide for a refund of the local sales
10 and use taxes levied on the sale, lease, or rental of tangible personal property or
11 services as provided for in this Section.

12 §315.9. Sales tax refund; new farm equipment used in poultry production

13 A person that has paid sales, use, and lease or rental taxes levied by the state
14 on the purchase of new farm equipment used in poultry production shall be entitled
15 to a refund of the amount of tax paid on the first fifty thousand dollars of the cost of
16 such property, provided the person claiming the refund has been certified by the
17 secretary of the Department of Revenue as an eligible taxpayer for purposes of this
18 refund. Procedures for making a claim for a refund and the processing and payment
19 of a refund claim by the department shall be those procedures established in R.S.
20 47:315.8(B) and (C). Any local political subdivision may provide for a refund of the
21 local sales and use taxes levied on the sale, lease, or rental of tangible personal
22 property or services as provided for in this Section.

23 §315.10. Sales tax refund; consumables and services used by certain manufacturers

24 A manufacturer that has paid sales, use, and lease or rental taxes levied by the
25 state on the purchase of tangible personal property consumed in the manufacturing
26 process, such as fuses, belts, felts, wires, conveyor belts, lubricants, and motor oils,
27 and on the purchase of services for the repair and maintenance of manufacturing
28 machinery and equipment shall be entitled to a refund of the amount of tax paid on
29 such property or services, provided the person claiming the refund has been certified

1 §337.9. Exemptions applicable to local tax in Chapters 2, 2-A, and 2-B; other
2 exemptions applicable

3 * * *

4 C.(1) ~~R.S. 47:305(A)(1)~~ R.S. 47:301(10)(ii), "key words": direct sales of
5 livestock, poultry, and other farm products.

6 * * *

7 (4) ~~R.S. 47:305(B)~~ R.S. 47:301(18)(q), "key words": farm products used by
8 farmers.

9 * * *

10 (13) R.S. 47:305(D)(1)(h), "key words": boiler fuel, including pelletized
11 paper waste, except refinery gas.

12 * * *

13 D.

14 * * *

15 (10) R.S. 47:305.14, "key words": nonprofit organizations ~~and certain~~
16 newspapers.

17 * * *

18 (20) R.S. 47:305.44, "key words": ~~raw~~ materials used in the printing process.

19 * * *

20 §337.10. Optional exclusions ~~and~~ exemptions, and refunds

21 * * *

22 I.~~(1)~~ A political subdivision may provide for a sales and use tax ~~exclusion~~
23 refund as provided for in R.S. 47:301(3)(i), (13)(k), or (28), or any combination of
24 ~~these or all of them, for the sales, cost, or lease and rental price of~~ R.S. 47:315.6 for
25 the purchase of manufacturing machinery, and equipment, either effective upon
26 ~~adoption or enactment or phased in over a period of time, or effective for a certain~~
27 ~~period of time or duration, all as set forth in the instrument, resolution, vote, or other~~
28 ~~affirmative action providing the exclusion. and any other tangible personal property~~
29 or service authorized for a state tax refund under that Section.

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P. A political subdivision may provide for a sales and use tax refund of taxes paid by regionally accredited institutions of higher education for purchases of tangible personal property or services directly related to the educational mission of the institution, as provided in R.S. 47:315.7.

Q. A political subdivision may provide for a sales and use tax refund of taxes paid by a person for pollution control devices or systems necessary for compliance with state or federal law, as provided in R.S. 47:315.8.

R. A political subdivision may provide for a sales and use tax refund of taxes paid by a person for new farm equipment used in poultry production to the extent of those taxes paid on the first fifty thousand dollars of the cost of such property, as provided in R.S. 47:315.9.

S. A political subdivision may provide for a sales and use tax refund of taxes paid by a person for tangible personal property consumed in the manufacturing process, such as fuses, belts, felts, wires, conveyor belts, lubricants, and motor oils, and on the purchase of services for the repair and maintenance of manufacturing machinery and equipment. For purposes of this Subsection, "manufacturer" means a person whose principal activity is manufacturing and who is assigned a 2007 North American Industry Classification System (NAICS) Code of 3211 through 3222 or 113310. The refund is authorized as provided in R.S. 47:315.10.

T. A political subdivision may provide for a sales and use tax refund of taxes paid by a person for machinery and equipment used primarily to produce a news publication whether it is ultimately sold at retail or for resale or at no cost, such machinery and equipment shall include but not be limited to all machinery and equipment used primarily in composing, creating, and other prepress operations, electronic transmission of pages from prepress to press, pressroom operations, and mailroom operations and assembly activities, as provided in R.S. 47:315.11.

* * *

§6001. Antique airplanes and certain other aircraft

1 A. No tax imposed by the state or by any parish, municipality, school board,
2 or any political subdivision of the state, other than sales and use taxes, shall be
3 imposed on antique airplanes which are maintained by private collectors and not
4 used for commercial purposes, and no personal property tax shall be imposed on any
5 aircraft weighing less than six thousand pounds which is owned by a private
6 individual and not used for commercial or profit making purposes. ~~The exemption~~
7 ~~from local taxes contained in this Section is granted notwithstanding the provisions~~
8 ~~of R.S. 47:302, and such exemption shall apply to any sales and use tax levied by~~
9 ~~any local governmental subdivision or school board.~~

* * *

11 Section 4. The repeal of R.S. 47:302(D) is intended to provide clarity with regard
12 to the specific services that are subject to sales and use taxes, as they are defined in R.S.
13 47:301(14). The repeal of R.S. 47:302(D) shall not be interpreted or construed to impose
14 sales and use taxes upon the sale of advertising services. Nor shall the repeal of R.S.
15 47:302(D) be interpreted or construed in any way to change the taxability of any tangible
16 personal property which is taxable under the provisions of Chapter 2 of Subtitle II of Title
17 47 of the Louisiana Revised Statutes of 1950.

18 Section 5. R.S. 38:2212.4(C), R.S. 39:467 and 468, R.S. 47:301(3)(g), (i) through
19 (k), (4)(i) and (k), (6)(b), (7)(c), (e) through (g), (h), (j), and (l), (8)(b) and (d) through (f),
20 (10)(c)(i)(bb), (d), (h) through (j), (l), (n) through (r), (t), (y) through (hh), (13)(c), (e), (k),
21 (l), (m), (14)(b)(i)(bb), and (b)(ii) through (iv), (g)(iii), (h) and (k), (16)(b)(ii), (c), (f), (h),
22 (i) through (k),(m), and (n) through (p), (18)(c), (e), (f), (h), (k), (m), (n), (o), and (p), and
23 (28), 302(D), 305(A)(1), (B), and (F), 305.2, 305.6, 305.7, 305.9, 305.13, 305.14(A)(5),
24 305.18, 305.26, 305.30, 305.33, 305.40 through 305.44(B), 305.45, 305.51, 305.52, 305.53,
25 305.57(C), 305.59, 305.60, 305.61, 305.65, 305.67 through 305.71, 337.9(B), (C)(23),
26 (D)(3), (4), (6), (9), (18), (19), (21), and (26) through (33), 337.10(C), (G), (I)(2) and (3),
27 (K), and (M), and 6003 are hereby repealed in their entirety.

28 Section 6. This Act shall become effective on July 1, 2018.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 673 Engrossed

2017 Regular Session

Stokes

Abstract: Provides for exclusions and exemptions applicable to sales and use taxes imposed by the state and other taxing authorities.

Present law establishes a wide variety of exclusions and exemptions from the sales and use taxes imposed by the state and other taxing authorities.

Proposed law changes numerous provisions concerning exclusions and exemptions as follows.

Present law establishes the following exemptions and exclusions from sales and use taxes imposed by the state, but permanently suspends applicability of the exemptions and exclusions for purposes of the state sales and use tax imposed under R.S. 47:321.

- (1) Nonprofit electric cooperative.
- (2) Vessels leased for use offshore.
- (3) Gasohol.
- (4) Pharmaceutical samples for distribution without charge to physicians, dentists, clinics, or hospitals.
- (5) Catalogs distributed, or intended for distribution in La., without charge.
- (6) Gasoline not subject to the tax on motor fuels.
- (7) Adaptive driving equipment.
- (8) Wood pellets used for boiler fuel.
- (9) Lease or rental of certain oilfield equipment for re-lease or re-rental.

Proposed law changes present law by making the exclusions and exemptions applicable for all state tax levies.

Present law establishes a sales and use tax exemption for purchases by parimutuel racetracks and off-track watering facilities.

Proposed law repeals present law.

Present law establishes a sales and use tax exemption for the purchase of materials, supplies, vehicles, and equipment by a public trust.

Proposed law repeals present law.

Present law provides that for purposes of state sales and use taxes, the sale of tangible personal property to a dealer who purchases the property for resale through coin-operated vending machines shall be considered a "sale at retail" and be subject to tax. The subsequent

resale of the property by the dealer through coin-operated vending machines shall not be considered a "sale at retail".

Present law provides that for purposes of sales and use taxes imposed by local taxing authorities "sale at retail" shall include the sale of tangible personal property by a dealer through coin-operated vending machines.

Proposed law changes present law by providing that for purposes of taxes imposed by all taxing authorities "sale at retail" shall include the sale of tangible personal property by a dealer through a kiosk or coin-operated vending machine.

Present law excludes from sales and use taxes imposed by all taxing authorities isolated or occasional sales made by a person not engaged in the business of selling at retail.

Proposed law retains present law and establishes a definition for "isolated or occasional sale" as follows:

- (1) Six or fewer separate sales of taxable items at retail during a twelve-month period by a person who does not habitually engage, or hold himself out as engaging, in the business of selling taxable items at retail.
- (2) The sale of all of the operating assets of a business, or of a separate division, branch, or identifiable segment of a business.
- (3) The sale of tangible personal property by an individual if the property was originally bought by the individual or a member of the individual's family for the personal use of the individual or the individual's family.
- (4) The sale of tangible personal property by an individual if the individual is not required to be registered as a dealer pursuant to this Chapter.
- (5) The sale of tangible personal property by an individual if the individual does not employ an auctioneer, broker, or factor, other than an online auction, to sell the property.
- (6) The sale of tangible personal property at a sheriff's sale or tax sale due to foreclosure on the property or the sale by an obligee of tangible personal property acquired by the obligee by foreclosure or otherwise in full or partial satisfaction of an obligation.

Present law establishes state sales and use tax exemptions for the following:

- (1) Sale of livestock, poultry, and other farm products directly by the farm that produced them.
- (2) Use of livestock, poultry, and other farm products by the farmer that produced them.

Proposed law changes present law by converting the exemptions to exclusions.

Present law establishes the following sales and use tax exclusions:

- (1) Admissions to athletic entertainment events of schools, colleges and universities.
- (2) Activities involved in a contract with the U.S. Navy concerning Navy vessels.
- (3) Sales, purchases, and leases by a parochial or private schools.
- (4) Sale of school lunch by a parochial or private school.

- (5) Lease or rental of a motor vehicle by a motor vehicle dealer for purposes of a warranty agreement.
- (6) Repair services associated with a motor vehicle warranty.
- (7) Human tissue transplants.
- (8) Food items sold by youth organizations.
- (9) Purchases by volunteer and public fire departments.
- (10) Free telephone directories.
- (11) Sales by the Military Department.
- (12) Sales by a thrift shop located at a military installation.
- (13) Sale of anthropogenic carbon dioxide for a tertiary recovery project.
- (14) Membership fees or dues for certain nonprofit clubs or organizations.
- (15) Certain sales of sleeping rooms at certain camp and retreat facilities.
- (16) Pharmaceuticals administered to livestock.
- (17) Materials used by a blood bank or nonprofit blood collection center, to include aphaeresis kits and leuko reduction filters.
- (18) Custom computer software.
- (19) Machinery and equipment for drilling rigs.

Proposed law changes present law by converting the exclusions to exemptions.

Present law defines "custom software" for purposes of sales and use taxes imposed by all taxing authorities and establishes a state sales and use tax exemption for the sale of custom software.

Proposed law changes present law by adding a definition for "pre-written software" and by extending applicability of the exemption to the taxes imposed by any taxing authority.

Present law establishes an exemption from sales and use tax for advertising services.

Proposed law repeals present law.

Present law establishes an exemption for amounts paid by a motion picture theater for motion picture film rental.

Proposed law repeals present law.

Present law provides for the definition of "sales price" and excludes from "sales price" the value of an article of tangible personal property that is traded in on the purchase of another article of tangible personal property.

Proposed law changes present law to update references to property that is traded in and adding the requirement that the trade-in occur at the same time and place as the sale at retail.

Present law provides that for purposes of sales and use taxes imposed by all taxing authorities, any cellular, PCS, or wireless telephone used in connection with the sale or use of mobile telecommunications services, the term "sales price" shall mean and include the greater of the amount of money actually received by the dealer from the purchaser for each such telephone, or 25% of the dealer's cost for the telephone.

Proposed law changes present law by changing the condition for determining "sales price" based on the cost of the telephone to the dealer from 25% to 100% of the cost.

Present law defines "news publication" as any printed periodical that appears at regular intervals, contains reports of a varied character, such as political, social, cultural, sports, moral, religious, or other subjects of general public interest.

Proposed law changes present law by adding to the definition concerning types of content and intervals of publication.

Present law establishes an exemption from sales and use taxes imposed by any taxing authority for feed for the purpose of sustaining animals for commercial, business, or agricultural purposes. Present law defines "commercial", "business", and "agricultural" uses. Further, present law, permanently suspends applicability of the exemption for purposes of the state sales and use tax imposed under R.S. 47:321.

Proposed law changes present law by repealing the definition of "business use", including race horses in the definition of "commercial use", and by extending the exemption to all state sales and use tax levies.

Present law establishes an exemption from state sales and use taxes for storm shutter devices. Present law provides for an optional exemption from taxes imposed by local taxing authorities.

Proposed law repeals present law.

Present law establishes an exemption for the purchase by television and radio broadcasters of digital conversion equipment mandated by federal law. Present law provides for an optional exemption from taxes imposed by local taxing authorities.

Proposed law repeals present law.

Present law establishes an exemption from sales and use taxes imposed by any taxing authority for all energy sources used for boiler fuel, and permanently suspends applicability of the exemption for purposes of the state sales and use tax imposed under R.S. 47:321.

Present law establishes an exclusion from sales and use taxes imposed by any taxing authority for pelletized paper waste used for boiler fuel.

Proposed law changes present law by adding the exclusion for pelletized paper waste into the exemption for energy sources for boiler fuel and by extending the applicability of the exemption to all state sales and use tax levies.

Present law establishes an exemption from sales and use taxes imposed by the state for the purchase of orthotics, including prescription eyeglasses, contact lenses, prosthetic devices, and wheelchairs and wheelchair lifts.

Proposed law retains present law and adds hearing aids, and augmentative communication devices to the list of exempt items.

Present law provides that no new or additional sales tax shall be applicable to sales of materials or services involved in lump sum or unit price construction contracts entered into prior to the effective date of the statute or ordinance levying the tax.

Proposed law changes present law by expanding the types of contracts to which the exemption applies to include unit price, fixed fee, or guaranteed maximum price contracts.

Present law contains three different exemptions concerning admissions to and sales of parking and tangible personal property at an event sponsored by a nonprofit organization (R.S. 47:305.13, 305.14(A)(1)(a), and 305.18), with duplicate provisions.

Proposed law consolidates the three very similar exemptions into one exemption which includes the content of the previous three exemptions.

Present law establishes an exemption from taxes imposed by all taxing authorities for raw materials used in a printing process, to include a variety of types of equipment and chemical supplies. Present law permanently suspends applicability of the exemption for purposes of the state sales and use tax imposed under R.S. 47:321.

Proposed law changes present law by establishing two separate exemptions, one for a commercial printer and one for a printer of a news publication.

Proposed law regarding a commercial printer, limits the exemption to sale or use of materials purchased for the purpose of inclusion into tangible personal property to be sold at retail by the printer and extends applicability to all state sales and use tax levies.

Proposed law regarding a printer of a news publication, retains the provisions of present law but converts such provisions into a new exemption for "mass communication industries".

Present law establishes an exclusion from sales and use taxes imposed by any taxing authority for the sale of newspapers.

Proposed law changes present law by converting the exclusion for newspapers to an exemption and includes that exemption in a new exemption for "mass communication industries".

Present law establishes an exemption from state use taxes for the use of motor vehicles subject to the vehicle registration tax previously purchased in another state by active duty military personnel stationed in La.

Proposed law changes present law by extending the exemption to the use taxes imposed by any taxing authority.

Present law establishes an exemption from state sales and use taxes for purchases by a council on aging.

Proposed law changes present law by extending the applicability of the exemption to the taxes imposed by any taxing authority and by including cooperative purchasing organizations comprised of councils on aging.

Present law provides for exemptions only for taxes imposed by a taxing authority in Caddo Parish for the sale of vaso-endothelial growth factor and complex biologics.

Proposed law repeals present law.

Present law authorizes any taxing authority in Plaquemines Parish to adopt any state sales and use tax exemption.

Proposed law repeals present law.

Present law establishes exemptions from state sales and use tax for certain sales of admissions to and tangible personal property and services sold at an event occurring at a *state-owned domed stadium facility, a state-owned baseball facility, or a locally or university-owned domed stadium facility* (R.S. 39:467).

Proposed law changes present law by re-designating it as R.S. 47:305.73, and by repealing the exemption for events occurring at a *locally or university-owned domed stadium facility*.

Present law authorizes optional sales and use tax exemptions for purposes of state and local taxes for certain sales of admissions, tangible personal property, and services at an event occurring at a *facility that is owned and operated by or for the state, or any of its agencies, boards, or commissions, or by any political subdivision, or on the publicly-owned property on which the facility is located*. (R.S. 39:468).

Present law does not apply to events occurring at a *state-owned domed stadium facility, a state-owned baseball facility, or a locally or university-owned domed stadium facility*.

Proposed law changes present law by re-designating it as R.S. 47:305.74, and by adding an optional exemption for sales at an event occurring at a *locally or university-owned domed stadium facility*.

Present law establishes an exemption from the sales and use taxes imposed by any taxing authority for sales of admissions, tangible personal property, and parking services occurring at an event sponsored by a domestic nonprofit organization if the event provides La. heritage, culture, crafts, art, food, and music that transpires over a minimum of seven but not more than twelve days with a five-year annual average attendance of at least 300,000 over the duration of the event.

Present law provides that the exemption shall not apply to any event intended to yield a profit to the promoter or to any individual contracted to provide services or equipment, or both, for the event.

Proposed law changes present law by limiting the exemption for sales at an event sponsored by a domestic nonprofit organization if the event provides La. heritage, culture, crafts, art, food, and music to one-half of the cost price of admission. Further, proposed law removes the restriction that no individual contracted to provide services or equipment for the event shall make a profit on the contract.

Present law establishes a sales and use tax exclusion for the sale of platinum, gold, or silver bullion, and numismatic coins.

Proposed law changes present law by converting the exclusion to an exemption and by limiting the exemption to sales of investment grade platinum, gold, or silver bullion.

Present law establishes an exemption for the sale of admission tickets to performances at a little theater.

Proposed law repeals present law.

Present law establishes the following exemptions and exclusions for specific nonprofit organizations:

- (1) Food banks.
- (2) Nonprofit entities that sell donated goods.

- (3) Sickle cell disease organizations.
- (4) Boys State of La., Inc. and Girls State of La., Inc.
- (5) Fore!kids Foundation.
- (6) Toys to be donated.
- (7) Ducks Unlimited and Bass Life.
- (8) Organizations dedicated to the conservation of fish and migratory waterfowl.
- (9) Construction materials used by certain nonprofit retirement centers.
- (10) Literacy organizations.
- (11) Admissions to musical, dance, and drama performances.

Proposed law repeals present law and establishes a new sales and use tax exemption applicable to all taxing authorities for sales or use of any tangible personal property which is purchased by a nonprofit organization if the property is purchased with monies donated to the organization, if the property is donated by the organization for the charitable purpose for which the organization was established, and if the organization has an exemption certificate from the Dept. of Revenue.

Present law provides for the following exemptions for purposes of specific providers of charitable residential housing construction:

- (1) St. Bernard Project, Inc.
- (2) Hands on New Orleans and Rebuilding Together New Orleans.
- (3) Make it Right Foundation.
- (4) Habitat for Humanity.
- (5) Fuller Center for Housing

Proposed law repeals present law and establishes a new sales and use tax exemption applicable to all taxing authorities for sales or use of construction materials purchased by a nonprofit organization which are intended for the following purposes: construction of new residential dwellings to be donated or sold at below market rates by a nonprofit organization established for that purpose or rehabilitation and renovation of residential dwellings that were damaged in a natural disaster which will be donated or sold at below market rates by a nonprofit organization established for that purpose.

Present law establishes a state sales and use tax exemption for the purchase of machinery and equipment by a radio station based in La.

Proposed law changes present law by limiting the exemption to only that machinery or equipment necessary to comply with licensing requirements of the Federal Communication Commission, by extending the exemption to purchases by television stations, by extending applicability of the exemption to the taxes imposed by any taxing authority, and by moving the exemption to the newly established "mass communications industries" exemption.

Present law establishes an exemption from all taxes imposed by the state or any other taxing authority for antique airplanes and other aircraft.

Proposed law repeals present law concerning sales and use taxes.

Present law provides with regard to sales returned to a dealer for a credit or refund of tax associated with a bad debt.

Proposed law retains present law and specifies that only an amount equal to the amount of tax remitted may be claimed as a credit or refund.

Present law establishes sales and use tax exclusions or exemptions from state sales and use taxes for the following purposes:

- (1) Manufacturing machinery and equipment.
- (2) Machinery and equipment used for production of unblended biodiesel.
- (3) Machinery and equipment used by a motor vehicle manufacturer.
- (4) Machinery and equipment used by a glass manufacturer.
- (5) Machinery and equipment used by a utility company regulated by the city of New Orleans.
- (6) Machinery and equipment used to perform tooling in a compression mold process.
- (7) Purchases and leases by a regionally accredited institution of higher education.
- (8) Pollution control devices.
- (9) First \$50,000 in value of new farm equipment used in poultry production.
- (10) Consumables and services used by wood and paper product manufacturers.
- (11) Machinery and equipment used to produce a news publication.

Proposed law changes present law by converting these exclusions and exemptions to refunds.

Proposed law provides the requirements for refund administration, eligibility, application, and payment.

Present law provides in the Uniform Local Sales and Use Tax law for keywords and mandatory and optional sales and use tax exemptions applicable for taxes imposed by local taxing authorities.

Proposed law repeals or revises present law for the authority for mandatory or optional exemptions from local taxes to correspond with changes in proposed law regarding exclusions and exemptions for purposes of the state sales and use tax base.

Effective July 1, 2018.

(Amends R.S. 4:168 and 227, R.S. 12:425, R.S. 47:301(7)(b), (10)(b) and (c)(ii), 13(a) and (h), (14)(b)(i)(aa), (23) and (24)(introductory paragraph), (a) and (b), 305(A)(4)(a) and (b) and (D)(1)(a), (h), (i), (k), and (u), 305.11(A), 305.14(A)(1) through (4), 305.19, 305.28(A), 305.44(A)(introductory paragraph), 305.47, 305.48, 305.49, 305.50(E)(2), 305.66(A), 315(B)(4), 315.5(A), 337.9(C)(1), (4) and (13), and (D)(10) and (20), 337.10(I)(1), and 6001(A), Adds R.S. 47:301(10)(ii) and (18)(q), 305.73 through 305.98, 315(B)(5), 315.6 through 315.11, and 337.10(P) through (T), and to repeal R.S. 38:2212.4(C), R.S. 39:467 and 468, R.S. 47:301(3)(g), (i) through (k), (4)(i) and (k), (6)(b), (7)(c), (e) through (g), (h), (j),

and (l), (8)(b) and (d) through (f), (10)(c)(i)(bb), (d), (h) through (j), (l), (n) through (r), (t), (y) through (hh), (13)(c), (e), (k), (l), (m), (14)(b)(i)(bb), and (b)(ii) through (iv), (g)(iii), (h) and (k), (16)(b)(ii), (c), (f), (h), (i) through (k), (m), and (n) through (p), (18)(c), (e), (f), (h), (k), (m), (n), (o), and (p), and (28), 302(D), 305(A)(1), (B), and (F), 305.2, 305.6, 305.7, 305.9, 305.13, 305.14(A)(5), 305.18, 305.26, 305.30, 305.33, 305.40 through 305.44(B), 305.45, 305.51, 305.52, 305.53, 305.57(C), 305.59, 305.60, 305.61, 305.65, 305.67 through 305.71, 337.9(B), (C)(23), (D)(3), (4), (6), (9), (18), (19), (21), and (26) through (33), 337.10(C), (G), (I)(2) and (3), (K), and (M), and 6003.

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the original bill:

1. Technical corrections.
2. Add applicability for all state sales and use tax levies for the exemption for materials used by commercial printers.
3. Add changes to the exemption for repairs and fabrication of rail rolling stock to consolidate all sales and use tax exemptions concerning rail rolling stock.
4. Delete changes to the sales and use tax exemption for original artwork sold within a cultural district.
5. Add applicability for all state sales and use tax levies for the exemption for telephone directories.
6. Delete changes to the local optional sales and use tax exemption for digital conversion equipment mandated for television broadcasters to conform with other provisions of the original bill.