

RÉSUMÉ DIGEST

Act 424 (HB 629)

2017 Regular Session

Anders

Prior law provided for a state sales and use tax exclusion for all purchases of fuels or gas.

New law changes prior law limiting application of the state sales and use tax exclusion for purchases of fuels or gas for residential use only.

Existing law imposes state sales and use taxes on the sale, use, lease, or rental of tangible personal property pursuant to the following levies:

R.S. 47:302 - 2% tax

R.S. 47:321 - 1% tax

R.S. 47:321.1 - 1% tax

R.S. 47:331 - 0.97% tax

R.S. 51:1286 - .03% tax (LA Tourism and Promotion District)

Existing law provides for exemptions and exclusions to state sales and use taxes. Further, existing law provides for the applicability and effectiveness of certain exclusions and exemptions from the taxes imposed under R.S. 47:302 and 321.1 for the time between July 1, 2016, and June 30, 2018.

Existing law provides for an exemption from state sales and use taxes imposed under R.S. 47:302, 321, and 331, for purchases and leases by qualifying radiation therapy treatment centers.

Prior law provided that this exemption was not in effect for the state sales and use taxes imposed under R.S. 47:302 and 321.1 for the time between July 1, 2016, and June 30, 2018.

New law changes prior law concerning the effectiveness and applicability of the exemption for purchases and leases by qualifying radiation therapy treatment centers by providing that the exemption is effective and applicable against all state sales and use taxes beginning July 1, 2017.

New law adds the Willis-Knighton Health System in Shreveport, La. to the list of qualifying radiation therapy treatment centers for purposes of the sales and use tax exemption for purchases and leases by qualifying radiation therapy treatment centers.

Existing law exempts from the imposition of the state sales and use tax the first \$50,000 of the sales price of farm equipment, defined as:

- (1) Rubber tired farm tractors, cane harvesters, cane loaders, cotton pickers, combines, haybalers, and attachments and sprayers.
- (2) Clippers, cultivators, discs, plows, and spreaders.
- (3) Irrigation wells, drives, motors, and equipment.
- (4) Other farm implements and equipment used for agricultural purposes in the production of food and fiber.
- (5) On the farm facilities used to dry or store grain or any materials used to construct such on the farm facilities.

New law adds polyroll tubing for commercial farm irrigation to the definition of farm equipment exempt from state sales and use tax beginning Oct. 1, 2017.

Effective upon signature of governor (June 26, 2017).

(Amends R.S. 47:301(10)(x)(i) and 302(AA)(intro. para); Adds R.S. 47:302(AA)(29), 305.25(A)(6), 305.64(A)(2)(b)(iv), and 321.1(F)(67))