

RÉSUMÉ DIGEST

ACT 209 (HB 264)

2017 Regular Session

Bishop

Existing law establishes a sales and use tax exclusion from taxes imposed by the state and its political subdivisions for certain materials and services involved in construction contracts in the instance of a new sales and use tax levy.

Existing law excludes from any new sales tax levy, materials and services for a lump sum or unit price construction contract entered into and reduced to writing either before the effective date of the new tax levy, or within 90 days of that date if the contract involves contractual obligations undertaken prior to that date and were computed and bid on the basis of tax rates effective and existing prior to the effective date of the new tax.

New law includes the following types of contracts as eligible for the exclusion: fixed rate and guaranteed maximum price construction contracts.

New law is applicable for purposes of any additional state sales and use taxes enacted on or after July 1, 2017.

Effective upon signature of governor (June 14, 2017).

(Amends R.S. 47:305.11(A))