

2019 Regular Session

HOUSE BILL NO. 556

BY REPRESENTATIVE HODGES

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

TAX/TAX REBATES: Establishes a state sales and use tax rebate for purchases of materials used to elevate homesteads above the base flood elevation

1 AN ACT

2 To enact R.S. 47:305.72, relative to sales and use tax; to authorize a rebate of state sales and
3 use taxes for certain purchases of materials used for structure elevation; to provide
4 for definitions; to establish procedures for applying for rebates to provide for the
5 payment of rebates; to provide for eligibility requirements; to require the
6 promulgation of rules; to provide for an effective date; and to provide for related
7 matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 47:305.72 is hereby enacted to read as follows:

10 §305.72. Rebates; state sales and use taxes; materials used to elevate homesteads

11 A. The sales and use tax imposed by the state of Louisiana on purchases of
12 materials used to elevate homesteads, hereinafter "structure elevation" by a
13 homeowner or contractor on behalf of a homeowner shall be eligible for a rebate in
14 accordance with the provisions of this Section. The rebate shall apply to the state
15 sales and use taxes on the materials required for structure elevation when the
16 structure is elevated at least one foot above base flood elevation, as established by
17 the Federal Emergency Management Agency or local ordinance, whichever base
18 flood elevation is higher.

19 B.(1) For purposes of this Section, the term "base flood elevation" shall
20 mean the regulatory requirement for the elevation or floodproofing of structures.

21 (2) For purposes of this Section, the term "elevation certificate" shall mean
22 a certificate completed by a state licensed professional land surveyor, professional

1 engineer, or registered architect that verifies the elevation data of a structure on a
2 property relative to the ground level.

3 (3) For purposes of this Section, the term "structure elevation" shall mean
4 purchases of materials and supplies necessary to physically raise an existing
5 homestead to the base flood elevation or higher.

6 C. The purchaser shall submit the elevation certificate to the parish permit
7 board in the parish where the structure is located. The parish permit board shall
8 ensure the structure elevation is at least one foot above the required base flood
9 elevation and certify and file the elevation certificate. The purchaser shall obtain a
10 copy of the certified elevation certificate from the parish permit board.

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

13 (1) A properly completed rebate request shall be submitted to the
14 Department of Revenue on forms provided by the Department of Revenue. For
15 purposes of this Section, a properly completed rebate request shall mean a rebate
16 request that includes the general information required on the rebate request that is
17 signed by the rebate applicant that includes a copy of each invoice or proof of
18 payment of the materials used for the structure elevation, and the certified elevation
19 certificate. The request shall be submitted electronically unless the secretary of the
20 Department of Revenue grants permission to submit the request in an alternate form.

21 (2) Within sixty days of the receipt of a properly completed rebate request,
22 the Department of Revenue shall rebate eighty percent of the amount claimed that
23 is eligible for rebate at the time of the rebate request. Within six months of the date
24 of filing the rebate request, the Department of Revenue shall audit the rebate request.
25 During the six-month period, the Department of Revenue shall disallow items
26 determined to be ineligible for rebate. Within ten business days following the
27 expiration of the six-month period, the Department of Revenue shall rebate the
28 remaining twenty percent of the amount claimed that is eligible for rebate at the time
29 of the rebate request, less any amounts properly disallowed during the six-month

1 audit period. Any sales and use tax rebate issued pursuant to this Section shall be
2 subject to subsequent audit by the Department of Revenue, and any rebate amount
3 determined to be in excess of that which should have been allowed shall be subject
4 to collection by the Department of Revenue.

5 (3) Failure of the Department of Revenue to timely pay rebates as provided
6 in this Subsection shall entitle the taxpayer to interest, which shall begin to accrue
7 six months after the completed rebate request is received at the rate established
8 pursuant to the provisions of R.S. 13:4202. Payments of interest authorized
9 according to the provisions of this Subsection shall be made from the current
10 collections of taxes collected pursuant to Chapter 2, Chapter 2-A, or Chapter 2-B of
11 Subtitle II of Title 47 of the Louisiana Revised Statutes of 1950, as amended.

12 E. The secretary of the Department of Revenue shall promulgate rules and
13 regulations in accordance with the Administrative Procedure Act as are necessary to
14 implement the provisions of this Section, including rules to provide for the form and
15 manner for claiming a rebate and the establishment of a method for the review by
16 appropriate personnel of parish permit boards, invoices, proof of payment, elevation
17 certificates, and other documentation submitted with the requests for rebate that the
18 secretary of Revenue deems necessary.

19 Section 2. This Act shall become effective on July 1, 2019.

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 556 Original

2019 Regular Session

Hodges

Abstract: Authorizes a rebate of state sales and use taxes paid on materials used to elevate homesteads at least one foot above the base flood elevation requirement as established by the Federal Emergency Management Agency (FEMA) or local ordinances.

Proposed law authorizes a rebate of state sales and use taxes paid by a homeowner or contractor on behalf of a homeowner for the purchase of materials used to elevate structure homesteads. The structure elevation must be at least one foot above the FEMA or local ordinance requirements to be eligible for the rebate.

Proposed law defines "base flood elevation" as the regulatory requirement for the elevation or floodproofing of structures.

Proposed law defines "elevation certificate" as a certificate completed by a state licensed professional land surveyor, professional engineer, or registered architect that verifies the elevation data of a structure on a property relative to the ground level.

Proposed law defines "structure elevation" as purchases of materials and supplies necessary to physically raise an existing homestead to the base flood elevation or higher.

Proposed law requires the parish permit office to ensure the structure elevation is at least one foot above the base flood elevation and certify and file the elevation certificate.

Proposed law requires the Dept. of Revenue to rebate 80% of the state sales and use tax within 60 days of receiving a completed rebate request. After 6 months, the Dept. of Revenue shall rebate the remaining 20% of state sales tax eligible for rebate.

Proposed law authorizes the Dept. of Revenue to promulgate rules and regulations to implement the provisions of proposed law.

Effective July 1, 2019.

(Adds R.S. 47:305.72)