

2019 Regular Session

HOUSE BILL NO. 605

BY REPRESENTATIVE IVEY

TAX/SALES & USE: Excludes therapeutic marijuana from state and local sales and use taxes

1 AN ACT

2 To enact R.S. 47:301(10)(ii), 302(BB)(110), 321(P)(111), 321.1(I)(111), and 331(V)(111),
3 relative to sales and use tax; to exclude sales of marijuana for therapeutic use from
4 state and local sales and use tax; to provide for the effectiveness of certain sales and
5 use tax exclusions; to provide for an effective date; and to provide for related
6 matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 47:301(10)(ii), 302(BB)(110), 321(P)(111), 321.1(I)(111), and
9 331(V)(111) are hereby enacted to read as follows:

10 §301. Definitions

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

14 * * *

15 (10)

16 * * *

17 (ii) For purposes of sales and use tax imposed by the state or any political
18 subdivision of the state, the term "sale at retail" shall not include marijuana for
19 therapeutic use as defined in R.S. 40:1046.

20 * * *

1 §302. Imposition of tax

2 * * *

3 BB. Notwithstanding any other provision of law to the contrary, including
4 but not limited to any contrary provisions of this Chapter, beginning July 1, 2018,
5 through June 30, 2025, there shall be no exemptions and no exclusions to the tax
6 levied pursuant to the provisions of this Section, except for the retail sale, use,
7 consumption, distribution, or storage for use or consumption of the following:

8 * * *

9 (110) Sales of marijuana for therapeutic use as provided in R.S.
10 47:301(10)(ii).

11 * * *

12 §321. Imposition of tax

13 * * *

14 P. Notwithstanding any other provision of law to the contrary, including but
15 not limited to any contrary provisions of this Chapter, beginning July 1, 2018,
16 through June 30, 2025, there shall be no exemptions and no exclusions to the tax
17 levied pursuant to the provisions of this Section, except for the retail sale, use,
18 consumption, distribution, or storage for use or consumption of the following:

19 * * *

20 (111) Sales of marijuana for therapeutic use as provided in R.S.
21 47:301(10)(ii).

22 * * *

23 §321.1. Imposition of tax

24 * * *

25 I. Notwithstanding any other provision of law to the contrary, including but
26 not limited to any contrary provisions of this Chapter, beginning July 1, 2018,
27 through June 30, 2025, there shall be no exemptions and no exclusions to the tax

1 levied pursuant to the provisions of this Section, except for the retail sale, use,
2 consumption, distribution, or storage for use or consumption of the following:

3 * * *

4 (111) Sales of marijuana for therapeutic use as provided in R.S.
5 47:301(10)(ii).

6 * * *

7 §331. Imposition of tax

8 * * *

9 V. Notwithstanding any other provision of law to the contrary, including but
10 not limited to any contrary provisions of this Chapter, beginning July 1, 2018,
11 through June 30, 2025, there shall be no exemptions and no exclusions to the tax
12 levied pursuant to the provisions of this Section, except for the retail sale, use,
13 consumption, distribution, or storage for use or consumption of the following:

14 * * *

15 (111) Sales of marijuana for therapeutic use as provided in R.S.
16 47:301(10)(ii).

17 * * *

18 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 605 Original

2019 Regular Session

Ivey

Abstract: Excludes marijuana for therapeutic use from state and local sales and use tax.

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

- R.S. 47:302 - 2%
- R.S. 47:321 - 1%
- R.S. 47:321.1 - .45%
- R.S. 47:331 - .97%
- R.S. 47:51:1286 - .03%

Proposed law excludes sales of marijuana for therapeutic use from the sales and use tax base.

Present law excludes and exempts a wide variety of tangible personal property from the sales and use tax; however, present law suspends numerous exclusions and exemptions from the four levies of state sales and use tax (R.S. 47:302, 321, 321.1, and 331) through June 30, 2025.

Proposed law changes present law by adding the sales of marijuana for therapeutic use to the list of exclusions and exemptions that are effective through June 30, 2025.

Effective July 1, 2019.

(Adds R.S. 47:301(10)(ii), 302(BB)(110), 321(P)(111), 321.1(I)(111), and 331(V)(111))