

2019 Regular Session

HOUSE BILL NO. 599

BY REPRESENTATIVE LANCE HARRIS

TAX/SALES & USE: Reduces the rate of the .45% state sales and use tax levy over a certain period of time

1 AN ACT

2 To amend and reenact R.S. 47:321.1(A) through (C) and to repeal R.S. 47:321.1, relative to  
3 state sales and use taxes; to reduce a certain state sales and use tax over a certain  
4 period of time; to repeal a certain state sales and use tax; to provide for effectiveness;  
5 and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:321.1 (A) through (C) are hereby amended and reenacted to read  
8 as follows:

9 §321.1. Imposition of tax

10 A. In addition to the tax levied by R.S. 47:302(A), 321(A), and 331(A) and  
11 collected under the provisions of Chapter 2 of this Subtitle, there is hereby levied an  
12 additional tax upon the sale at retail, the use, the consumption, the distribution, and  
13 the storage for use or consumption in this state of each item or article of tangible  
14 personal property as defined in Chapter 2 of this Subtitle. The levy of said tax shall  
15 be as follows:

16 (1)(a) ~~Except as provided in Subparagraph (b) of this Paragraph, At~~ at the rate  
17 of forty-five hundredths of one percent of the sales price of each item or article of  
18 tangible personal property when sold at retail in this state, the tax to be computed on  
19 gross sales for the purpose of remitting the amount of tax to the state, and to include  
20 each and every retail sale.

1           (b) Beginning July 1, 2020, the rate of the sales and use tax levied pursuant  
2           to provisions of this Paragraph on the sales price of each item or article of tangible  
3           personal property when sold at retail in this state, the tax to be computed on gross  
4           sales for the purpose of remitting the amount of tax to the state, and to include each  
5           and every retail sale shall be reduced as follows:

6                   (i) Beginning July 1, 2020, the rate shall be thirty-five hundredths of one  
7                   percent.

8                   (ii) Beginning July 1, 2021, the rate shall be twenty-five hundredths of one  
9                   percent.

10                   (iii) Beginning July 1, 2022, the rate shall be fifteen hundredths of one  
11                   percent.

12           (2)(a) ~~Except as provided in Subparagraph (b) of this Paragraph, At~~ at the rate  
13           of forty-five hundredths of one percent of the cost price of each item or article of  
14           tangible personal property when the same is not sold but is used, consumed,  
15           distributed, or stored for use or consumption in this state, provided that there shall  
16           be no duplication of the tax.

17           (b) Beginning July 1, 2020, the rate of the sales and use tax levied pursuant  
18           to provisions of this Paragraph on the cost price of each item or article of tangible  
19           personal property when the same is not sold but is used, consumed, distributed, or  
20           stored for use or consumption in this state, provided that there shall be no duplication  
21           of the tax shall be reduced as follows:

22                   (i) Beginning July 1, 2020, the rate shall be thirty-five hundredths of one  
23                   percent.

24                   (ii) Beginning July 1, 2021, the rate shall be twenty-five hundredths of one  
25                   percent.

26                   (iii) Beginning July 1, 2022, the rate shall be fifteen hundredths of one  
27                   percent.

28           B. In addition to the tax levied by R.S. 47:302(B), 321(B), and 331(B) and  
29           collected under the provisions of Chapter 2 of this Subtitle, there is hereby levied a

1 tax upon the lease or rental within this state of each item or article of tangible  
2 personal property, as defined by Chapter 2 of this Subtitle; the levy of the tax to be  
3 as follows:

4 ~~(1)(a) Except as provided in Subparagraph (b) of this Paragraph, At~~ at the rate  
5 of forty-five hundredths of one percent of the gross proceeds derived from the lease  
6 or rental of tangible personal property, as defined in Chapter 2 of this Subtitle, where  
7 the lease or rental of such property is in an established business, or part of an  
8 established business, or the same is incidental or germane to the business.

9 (b) Beginning July 1, 2020, the rate of the sales and use tax levied pursuant  
10 to provisions of this Paragraph on the gross proceeds derived from the lease or rental  
11 of tangible personal property, as defined in Chapter 2 of this Subtitle, where the lease  
12 or rental of such property is in an established business, or part of an established  
13 business, or the same is incidental or germane to the business shall be reduced as  
14 follows:

15 (i) Beginning July 1, 2020, the rate shall be thirty-five hundredths of one  
16 percent.

17 (ii) Beginning July 1, 2021, the rate shall be twenty-five hundredths of one  
18 percent.

19 (iii) Beginning July 1, 2022, the rate shall be fifteen hundredths of one  
20 percent.

21 ~~(2)(a) Except as provided in Subparagraph (b) of this Paragraph, At~~ at the rate  
22 of forty-five hundredths of one percent of the monthly lease or rental price paid by  
23 a lessee or rentee, or contracted or agreed to be paid by a lessee or rentee to the  
24 owner of the tangible personal property.

25 (b) Beginning July 1, 2020, the rate of the sales and use tax levied pursuant  
26 to provisions of this Paragraph on the monthly lease or rental price paid by a lessee  
27 or rentee, or contracted or agreed to be paid by a lessee or rentee to the owner of  
28 tangible personal property shall be reduced as follows:



Present law imposes a state sales and use tax on the sale, use, lease, or rental of tangible personal property and sales of services in the state 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. 51:1286 - .03%

Proposed law reduces the rate of the .45% state sales and use tax levied on the sale at retail, the use, the consumption, the distribution, and the storage for the use or consumption of tangible personal property, the monthly lease or rental price of items of tangible personal property, and services as follows:

- (1) Beginning July 1, 2020, the rate will be reduced to .35%
- (2) Beginning July 1, 2021, the rate will be reduced to .25%
- (3) Beginning July 1, 2022, the rate will be reduced to .15%

Proposed law repeals the levy of the state sales and use taxes in present law (R.S. 47:321.1) on July 1, 2023.

Effective July 1, 2020.

(Amends R.S. 47:321.1(A) through (C); Repeals R.S. 47:321.1)