
DIGEST

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HB 69 Engrossed

2020 First Extraordinary Session

Deshotel

Abstract: Creates a state and local sales and use tax exemption on the sale of fiber-optic cables when the fiber-optic cables are purchased by a broadband internet service provider and intended to be attached to a utility pole, building, or other structure or installed underground and places the exemption on the exclusive lists of current state and mandatory local sales and use tax exemptions.

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. 51:1286 - .03%

Present law provides for an exclusive list of current effective state sales and use tax exemptions and suspends numerous exemptions from four levies of state sales and use tax (R.S. 47:302, 321, 321.1, and 331) through June 30, 2025.

Present constitution provides that the governing authority of any local governmental subdivision or school board may levy and collect a sales and use tax on tangible personal property.

Present law provides for a list of mandatory local sales and use tax exemptions and optional local sales and use tax exemptions.

Proposed law retains present law. Proposed law creates a state and mandatory local sales and use tax exemption on the sale of fiber-optic cables when the fiber-optic cables are purchased by a broadband internet service provider and intended to be attached to a utility pole, building, or other structure or installed underground.

Proposed law adds the fiber-optic cable exemption to the exclusive list of state sales and use tax exemptions that are effective through June 30, 2025.

Proposed law adds the fiber-optic exemption to the list of mandatory local sales and use tax exemptions.

Effective July 1, 2020.

(Adds R.S. 47:302(BB)(113), 305.75, 321(P)(114), 321.1(I)(114), 331(V)(114), and 337.9(D)(35))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the original bill:

1. Add the fiber-optic sales and use tax exemption to the present law list of mandatory local sales and use tax exemptions.