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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Curry Lann.

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DIGEST

SB 28 Original

2020 Second Extraordinary Session

Cathey

Proposed law provides for a state and local sales tax exemption for tangible personal property purchased or used by a provider or an affiliate of a provider of communications services, internet access, or any combination thereof in this state to either:

- (1) Transmit, convey, amplify, or route information such as images, text, voice, video programming, other video content, or data.
- (2) Build, assemble, repair, or replace tangible personal property used to transmit, convey, amplify, or route information such as images, text, voice, video programming, other video content, or data.

Proposed law provides that the sales tax exemption includes but is not limited to:

- (1) Converters.
- (2) Modem and Wi-Fi equipment.
- (3) Monitoring equipment.
- (4) Fiber optic cable and coaxial cable.
- (5) Conduit.
- (6) Distribution plant.
- (7) Customer connection equipment.
- (8) Telecommunications radio.
- (9) Routing and switching equipment.
- (10) Prewritten computer software.
- (11) Equipment enclosures, above and below ground.
- (12) Towers, poles, and mounts.
- (13) Electricity.

- (14) Transmitters.
- (15) Power equipment.
- (16) Diagnostic equipment.
- (17) Storage devices.
- (18) Servers.
- (19) Multiplexers.
- (20) Amplifiers.
- (21) Antennas.

Present law provides for the exclusive list of sales and use tax exemptions that are effective through June 30, 2025, for each of the four major state sales tax levies.

Proposed law includes the sales tax exemption for purchases of certain equipment used by broadband providers to the list of effective sales tax exemptions for all sales tax periods beginning on January 1, 2021.

Proposed law authorizes the secretary of the Dept. of Revenue to promulgate rules.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Adds R.S. 47:302(BB)(113), 305.12, 321(P)(114), 321.1(I)(114), 331(V)(114), and 337.9(D)(35))