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

DIGEST

SB 6 Original | 2021 Regular Session | Cathey

Proposed law provides for a state sales tax exemption beginning July 1, 2021, for utilities used by commercial farmers for on-farm storage.

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 adds the sales tax exemption for the sale of utilities used by commercial farmers for on-farm storage to the list of effective sales tax exemptions.

Proposed law defines "commercial farmer" as persons who produce food or commodities for sale, file their farm income and expenses on a federal Schedule F or similar federal tax form, including 1065, 1120, and 1120S, filed by a person assigned a North American Industry Classification System (NAICS) Code beginning with 11.

Proposed law defines "on-farm storage" as facilities or containers located in Louisiana that are separately metered for utilities and that contain raw agricultural commodities, including but not limited to feed, seed, and fertilizer, to be utilized in preparing, finishing, manufacturing, or producing crops or animals prior to the first point of sale.

Proposed law defines "utilities" as steam, water, electric power or energy, natural gas, or energy sources.

Proposed law authorizes the secretary of the Department of Revenue to promulgate rules and regulations necessary to implement the provisions of proposed law.

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

(Adds R.S. 47:302(BB)(114), 305.4, 321(P)(115), 321.1(I)(115), and 331(V)(115))