
DIGEST

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HB 540 Original

2021 Regular Session

Hilferty

Abstract: Provides for a sales and use tax exemption for sales of construction materials to certain charitable organizations if the materials are used for constructing, rehabilitating, or renovating certain residential dwellings.

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 suspends numerous exemptions from the four levies of state sales and use tax (R.S. 47:302, 321, 321.1, and 331) through June 30, 2025, and provides a list of exemptions that are currently effective.

Present law authorizes a sales and use tax exemption on the sales of construction materials to Hands on New Orleans and Rebuilding Together New Orleans if the materials are used to construct, rehabilitate, or renovate residential dwellings in La. which were destroyed or damaged by Hurricane Katrina or Hurricane Rita.

Proposed law removes the requirement that the residential dwellings were destroyed or damaged by Hurricane Katrina or Hurricane Rita.

Present law suspends effectiveness of the charitable residential construction, rehabilitation, and renovation sales and use tax exemption, through June 30, 2025, thereby making these items subject to state sales and use tax.

Proposed law adds the charitable residential construction, rehabilitation, and renovation sales and use tax exemption to the list of exemptions currently effective through June 30, 2025.

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

(Amends R.S. 47:305.65(A); Adds R.S. 47:302(BB)(114), 321(P)(115), 321.1(I)(115), and 331(V)(115))