
DIGEST

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HB 204 Original

2023 Regular Session

DeVillier

Abstract: Codifies in statute the constitutional sales and use tax exemption for electricity sold directly to the consumer for residential use; revises citations of law associated with sales and use tax exemptions for other residential utilities, food for home consumption, and prescription drugs.

Present law imposes a state sales and use tax on the sale, use, lease, or rental of tangible personal property, which tax is composed of the following provisions of present law imposing levies in the following amounts:

R.S. 47:302	.....	2.00%
R.S. 47:321	.....	1.00%
R.S. 47:321.1	.....	0.45%
R.S. 47:331	.....	0.97%
R.S. 51:1286	.....	0.03%

Present constitution (Const. Art. VII, §2.2(B)) establishes exemptions from the state sales and use tax for food for home consumption; natural gas, electricity, and water sold directly to the consumer for residential use; and prescription drugs. Except for the exemption for electricity, each of these exemptions is also established as a statutory exemption within present law.

Proposed law establishes in statute the sales and use tax exemption for electricity sold directly to the consumer for residential use provided for in present constitution.

Effective if and when the amendment of Article VII of the Constitution of La. contained in the Act which originated as House Bill No. ___ of this 2023 R.S., which proposes to repeal constitutional protections for the exemptions addressed in present law and proposed law, is adopted at a statewide election and becomes effective.

(Amends R.S. 47:302(BB)(1)-(5), 321(P)(1)-(5), 321.1(I)(1)-(5), and 331(V)(1)-(5); Adds R.S. 47:305(D)(1)(v))