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DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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HB 436 Original

2023 Regular Session

Travis Johnson

**Abstract:** Establishes a state sales and use tax exemption for energy efficiency improvements and acquisition of renewable energy systems by commercial farmers who have received grants or loans through the Rural Energy for America Program.

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%

Proposed law exempts from the state sales and use tax the purchase, use, lease, or rental of any of the following by commercial farmers who have received grant funding or a guaranteed loan through the Rural Energy for America Program of the U.S. Dept. of Agriculture:

- (1) Items or services used for energy efficiency improvements.
- (2) Renewable energy systems.

Proposed law provides that for purposes of proposed law, "energy efficiency improvement" and "renewable energy system" have the meanings provided in federal regulations relative to the Rural Energy for America Program (7 CFR 4280.103).

Proposed law authorizes the secretary of the Dept. of Revenue to promulgate administrative rules as necessary to implement the provisions of proposed law.

(Adds R.S. 47:302(BB)(119), 305.79, 321(P)(120), 321.1(I)(120), and 331(V)(120))