
DIGEST

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HB 630 Original

2023 Regular Session

Schexnayder

Abstract: Clarifies that charter boat fishing guide activities are considered commercial fishing for purposes of sales and use tax exemptions.

Present law provides that a La. resident, domiciled in La., who possesses a valid licenses necessary for commercial fishing ventures and who is an owner of a vessel operated primarily for the conduct of commercial fishing as a trade or business is eligible for an exemption from state sales and use taxes for certain purchases and services related to the commercial operation.

Present law further applies the exemption to facilities that process the catch from owners of commercial fishing vessels for which the exemption is granted when such vessels are owned by, or leased or contracted exclusively to, the seafood processing facility.

Present law provides that the certificate of exemption granted to commercial fishermen and seafood processing facilities shall exempt the owner of the certificate from the following taxes:

- (1) Taxes applied to the materials and supplies necessary for repairs to the vessel or facility if they are purchased by the owner and later become a component part of the vessel or facility.
- (2) Taxes applied to materials and supplies purchased by the owner of the vessel or facility where such materials and supplies are loaded upon the vessel or delivered to the facility for use or consumption in the maintenance and operation thereof for commercial fishing and processing ventures.
- (3) Taxes applied to repair services performed upon the vessel or facility.
- (4) Taxes applied to the purchase of gasoline, diesel fuel, and lubricants for the vessel and to sources of energy and fuels for the facility.

Present law further provides that the purchase of any vessel that will be used primarily for commercial fishing ventures is exempt from all taxes applied to the purchase.

Proposed law provides that the exemptions in present law also apply to the owner of a vessel operated primarily for charter boat fishing guide activities.

(Amends R.S. 47:305.20(A), (B)(1) and (3), (C)(intro. para.), (D), and (E))