

RÉSUMÉ DIGEST

ACT 297 (HB 127)

2023 Regular Session

Hughes

New law exempts from state sales tax the furnishing of an item at no charge as a sample in a business-to-business exchange at, or in conjunction with, a conference, convention, exposition, trade show, professional or trade association event, business or professional meeting, corporate event, or exhibition of any kind held in La.

New law exempts from state excise tax the furnishing of an alcoholic beverage at no charge as a sample in a business-to-business exchange at, or in conjunction with, a conference, convention, exposition, trade show, professional or trade association event, business or professional meeting, corporate event, or exhibition of any kind held in La.

New law exempts from the state tobacco tax the furnishing of a product at no charge as a sample in a business-to-business exchange at, or in conjunction with, a conference, convention, exposition, trade show, professional or trade association event, business or professional meeting, corporate event, or exhibition of any kind held in La.

New law defines "business-to-business exchange", for purposes of new law, as the distribution by a business of free samples in a limited quantity, with nominal value, to another business as part of a genuine effort to sell or market the product being sampled to that business. Provides that for purposes of new law, "nominal value" means a value which is so small or slight that it is not considered real or substantial in comparison with what might reasonably be expected.

Prior law exempted from the state tobacco tax, through Dec. 31, 2025, cigars and pipe tobacco sampled on the premises of convention facilities during the convention of the International Premium Cigar and Pipe Retailers Association. New law repeals prior law.

New law applies to taxable periods beginning on or after August 1, 2023.

New law terminates the tax exemptions provided in new law on August 1, 2033.

Effective August 1, 2023.

(Amends R.S. 47:854(A) and (B) and 855; Adds R.S. 26:421(F) and R.S. 47:302(BB)(119), 305.79, 321(P)(120), 321.1(I)(120), and 331(V)(120))