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**HOUSE COMMITTEE AMENDMENTS**

2024 Regular Session

Amendments proposed by House Committee on Ways and Means to Original House Bill No. 827 by Representative Turner

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1 AMENDMENT NO. 1

2 On page 1, delete lines 3 through 5 in their entirety and insert in lieu thereof the following:

3 "relative to a state and local sales and use tax rebate on the sale of certain  
4 communications service equipment; to repeal provisions authorizing a local sales and  
5 use tax rebate on the sale of such equipment; to provide definitions that apply for  
6 purposes of the state sales and use tax rebate on such equipment; to limit the total  
7 rebate amount that may be paid per fiscal year; to provide for other limitations and  
8 conditions; to provide an effective date; and to provide for related matters."

9 AMENDMENT NO. 2

10 On page 1, line 8, delete "fiber-optic cable" and insert "broadband"

11 AMENDMENT NO. 3

12 On page 1, delete lines 9 through 20 in their entirety and delete pages 2 and 3 in their  
13 entirety and insert in lieu thereof the following:

14 ~~"A.(1) A winning bidder that is awarded a census block by the Federal~~  
15 ~~Communications Commission in the Rural Digital Opportunity Fund Auction,~~  
16 ~~communications provider shall be eligible for a rebate of state and local sales and use~~  
17 ~~taxes paid by the winning bidder on fiber-optic cable equipment used to distribute~~  
18 ~~fixed and mobile broadband networks to eligible rural unserved areas provider on~~  
19 ~~equipment used to provide broadband communications services in Louisiana. The~~  
20 ~~amount of the rebate shall equal fifty percent of the state sales and use tax paid by~~  
21 ~~the winning bidder on fiber-optic cable communications provider on the equipment.~~

22 ~~(2) The following words shall have the following meanings unless the~~  
23 ~~context clearly indicates otherwise:~~

24 ~~(a) "Fiber-optic cable equipment" means:~~

25 ~~(i) Telecommunications fiber.~~

26 ~~(ii) Wires.~~

27 ~~(iii) Poles.~~

28 ~~(iv) Supports.~~

29 ~~(v) Lashing cable.~~

30 ~~(vi) Conduit.~~

31 ~~(vii) Communication handholes.~~

32 ~~(viii) Customer premise equipment.~~

33 (2) As used in this Section, the following terms shall have the meanings  
34 ascribed to them in this Paragraph unless the context clearly indicates otherwise:

35 (a) "Broadband communications service" means telecommunications service  
36 as defined in 47 U.S.C. 153(53), cable service as defined in 47 U.S.C. 522(6), and  
37 internet access service as defined in Section 1101(e)(3)(D) of the Internet Tax  
38 Freedom Act (P.L. 105-277, Title XI), as amended, or any combination of these  
39 services.

40 (b) "Communications provider" means a person who is principally engaged  
41 in the business of distributing, provisioning, transmitting, conveying, monitoring,  
42 switching, receiving, or routing of a broadband communications service.

43 (c) "Equipment used to provide broadband communications service" and  
44 "equipment" means all of the following items when such items are utilized to provide  
45 broadband communications service: cables, including fiber-optic and coaxial cables;

1 antennas; towers; poles; supports; mounts; lashing wires; conduit; above-ground  
 2 network equipment enclosures and storage devices; below-ground network  
 3 equipment enclosures and storage devices; central control headend equipment; hub  
 4 switching equipment; network monitoring and diagnostic equipment; networking and  
 5 distribution equipment; radio communication equipment; routing and switching  
 6 equipment; broadband network software; power regulator equipment; power failure  
 7 backup equipment; network servers; communications multiplexers; and signal  
 8 amplification equipment.

9 ~~(b)~~ (d) "Unserved area" means an area that has service levels below the  
 10 minimum acceptable level of fixed broadband service as defined in 7 U.S.C.  
 11 950bb(e)(1).

12 (3) Each item of ~~fiber-optic cable~~ equipment shall be eligible for only a  
 13 single rebate pursuant to this Section. Subsequent transactions involving the sale or  
 14 resale of the same item of ~~fiber-optic cable~~ equipment shall not be eligible for this  
 15 rebate.

16 (4) The rebate authorized pursuant to this Section shall not be allowed for  
 17 ~~the purchases of fiber-optic cable equipment that are paid for with state or federal~~  
 18 ~~funds, unless the state or federal funds are reported as taxable income or are~~  
 19 ~~structured as repayable loans~~ any purchase of equipment that is paid for with state  
 20 or federal funds.

21 B.(1) Requests for the rebates of state sales and use taxes pursuant to the  
 22 provisions of this Section shall be processed by the Department of Revenue. A  
 23 purchaser shall claim a state rebate using the form and in the manner prescribed by  
 24 the Department of Revenue.

25 (2) The purchaser who claims a rebate shall submit documentation to the  
 26 secretary of the Department of Revenue evidencing the purchase of ~~fiber-optic cable~~  
 27 equipment used to provide broadband communications service and documentation  
 28 evidencing the purchaser is a winning bidder that was awarded a census block by the  
 29 Federal Communications Commission in the Rural Digital Opportunity Fund  
 30 Auction.

31 (3) The secretary of the Department of Revenue ~~may~~ shall promulgate rules  
 32 in accordance with the Administrative Procedure Act as are necessary to implement  
 33 the provisions of this Section, including rules to provide for the form and manner for  
 34 claiming a rebate. Such rules shall establish the method for processing and paying  
 35 rebate claims, including but not limited to a first-come, first-served system, or other  
 36 method which the department, in its discretion, may find beneficial for  
 37 administration of the rebate.

38 ~~C. Requests for the rebate of local sales and use taxes pursuant to the~~  
 39 ~~provisions of this Section shall be processed by the appropriate local taxing~~  
 40 ~~authority. A purchaser shall claim a local rebate using the form and in the manner~~  
 41 ~~required by the local taxing authority. The purchaser who claims the rebate shall~~  
 42 ~~submit documentation to the local taxing authority evidencing the purchase of~~  
 43 ~~fiber-optic cable equipment and documentation evidencing the purchaser is a~~  
 44 ~~winning bidder that was awarded a census block by the Federal Communications~~  
 45 ~~Commission in the Rural Digital Opportunity Fund Auction. The Louisiana Uniform~~  
 46 ~~Local Sales Tax Board may promulgate rules and regulations in accordance with the~~  
 47 ~~Administrative Procedure Act as necessary for the implementation of this Section.~~

48 C.(1) The total amount of rebates paid pursuant to this Section in any fiscal  
 49 year shall not exceed fifteen million dollars.

50 (2)(a) Within the limit established in Paragraph (1) of this Subsection, the  
 51 amount of rebates paid for purchases of equipment used to provide broadband  
 52 communications service outside of an unserved area shall not exceed three million  
 53 dollars in any fiscal year.

54 (b) The purpose of this Paragraph is to reserve up to eighty percent of the  
 55 total amount of rebates authorized by this Section as incentives for communications  
 56 providers to furnish broadband communications service in unserved areas.

1                   (3) If the total amount of rebates requested for a fiscal year exceeds the  
2                   applicable limit provided in either Paragraph (1) or (2) of this Subsection, the excess  
3                   shall be treated as having been requested on the first day of the subsequent fiscal  
4                   year.

5                   D. The Department of Revenue shall not remit payment of any rebate  
6                   authorized by this Section after June 30, 2027.

7                   Section 2. This Act shall become effective on July 1, 2024; if vetoed by the governor  
8                   and subsequently approved by the legislature, this Act shall become effective on July 1,  
9                   2024, or on the day following such approval by the legislature, whichever is later."