

2024 Third Extraordinary Session

HOUSE BILL NO. 10

BY REPRESENTATIVE WRIGHT

TAX/SALES & USE: Provides for the rate of the state sales and use tax and provides for the exemptions, exclusions, credits, and rebates claimed against sales and use taxes (Item #8)

1 AN ACT

2 To amend and reenact R.S. 6:662, R.S. 12:425, R.S. 22:2065, R.S. 33:4169(D), R.S.

3 47:301(3), (4)(i) through (k), (6), (7), (8), (10), (13), (14), (16), (18), and (23)

4 through (29), 301.1(A)(introductory paragraph), (B)(2)(b) through (d), (C)(2)(b),

5 (D), and (E), 302(D) 303(B)(introductory paragraph), (1)(introductory paragraph)

6 and (b)(introductory paragraph), (3)(b)(ii), and (4), (D)(1), (E), and (F), 303.1(B)(5),

7 304(A), 305(A), (B), (C), (D)(1), and (E) through (I), 305.2 through 305.4, 305.6

8 through 305.8, 305.10(F), 305.20(A), (C), and (D), 305.50(B) through (D),

9 305.72(C), 305.73(B) through (D), 306.5(B), 318(A), 321(A) and (C), 322, 331(A)

10 through (C), 332, 337.2(C)(2) and (4)(a) and (b)(i)(aa)(II) and (bb)(II), 337.4(B)(6)

11 and (7), 337.6(B), 337.8(B), 337.13(A), 463.8(B)(1)(b) and (3), and 6001(A), and

12 R.S. 51:1286, to enact R.S. 47: 301(4)(l), 301.3, 301.4, 301.5, 305(J), 305.5, 305.12,

13 and 305.72(D) through (F), and to repeal Part V of Chapter 3 of Title 40 comprised

14 of R.S. 40:582.1 through 582.7, R.S. 47:9, 301(4)(m) and (n), (30) and (31),

15 301.1(B)(2)(e) and (f) and (F), 301.2, 302(F) through (J), (L) through (T), and (X)

16 through (CC), 305(D)(3) through (6), 305.9, 305.13 through 305.18, 305.24 through

17 305.26, 305.28, 305.30, 305.33, 305.36, 305.37, 305.40 through 305.44, 305.46,

18 305.47, 305.49, 305.50(E) and (F), 305.52 through 305.54, 305.56 through 305.68,

19 305.70, 305.71, 305.73(A)(5) and (6), (E), and (F), 305.74 through 305.80,

1 306(A)(3), (6), and (7), and (D), 315.1 through 315.3, 315.5, 321(E) through (Q),  
2 321.1(E), (F), (I), and (J), 331(F) through (W), 337.2(A)(2) and (B)(3)(e) through  
3 (h), 337.4(B)(4) and (8), 337.5(A)(1)(e), 337.10 through 337.10.2, 337.11.1,  
4 337.11.2, 337.11.4, 337.18(A)(3), 337.23(C)(1)(a)(ii), 338.1(B), 340(G)(6)(d), 6003,  
5 and 6040, and Chapter 10 of Title 51 of the Louisiana Revised Statutes of 1950,  
6 comprised of R.S. 51:1301 through 1316, relative to sales and use taxes; to provide  
7 for the rate of the sales and use tax; to provide for sales and use tax exclusions,  
8 exemptions, credits, and rebates; to provide for the applicability of certain  
9 exclusions, exemptions, credits, and rebates to sales and use taxes levied by the state  
10 and certain other political subdivisions; to provide with respect to compensation for  
11 certain dealers for collecting and remitting sales and use taxes; to provide for the  
12 administration and sourcing of certain sales; to provide for the the sourcing of certain  
13 bundled transactions; to provide for certain requirements and limitations; to repeal  
14 the Louisiana Tax Free Shopping Program; to repeal certain sales and use tax  
15 exclusions, exemptions, credits, and rebates; to provide for applicability; to provide  
16 for an effective date; and to provide for related matters.

17 Be it enacted by the Legislature of Louisiana:

18 Section 1. R.S. 6:662 is hereby amended and reenacted to read as follows:

19 §662. Taxation

20 A credit union is an institution for savings. It, together with all  
21 accumulations therein, is not subject to taxation except as to immovable property  
22 owned or to sales and use taxes levied pursuant to Chapters 2, 2-A, and 2-B of  
23 Subtitle II of Title 47 of the Louisiana Revised Statutes of 1950. The shares of a  
24 credit union are not subject to a stock transfer tax when issued by the corporation or  
25 when transferred from one member to another. No fees or taxes nor any of the  
26 stipulations as to capital stock set forth in general statutes for corporations apply to  
27 credit unions.

1 Section 2. R.S. 12:425 is hereby amended and reenacted to read as follows:

2 §425. Taxation

3 Each cooperative shall pay annually, on or before the first day of July, to the  
4 department of revenue, a fee of ten dollars for each one hundred persons or fraction  
5 thereof to whom electricity is supplied within the state by it, but shall be exempt  
6 from all other excise and income taxes whatsoever. The exemption provided for in  
7 this Section shall not apply to sales and use tax imposed by any taxing authority.

8 Section 3. R.S. 22:2065 is hereby amended and reenacted to read as follows:

9 §2065. Tax exemption

10 The association shall be exempt from payment of all fees and all taxes levied  
11 by this state or any of its subdivisions except taxes levied on real or personal  
12 property, and sales and use taxes levied by any taxing authority.

13 Section 4. R.S. 33:4169(D) is hereby amended and reenacted to read as follows:

14 §4169. Collection contracts for sewerage service charges; access charges;  
15 enforcement procedures for delinquent charges

16 \* \* \*

17 D. Any municipal corporation, parish, or sewerage or water district shall  
18 have the power to execute and enter into a contract with any private company for the  
19 construction of sewerage or wastewater treatment facilities and for the operation of  
20 such facilities. Any ~~such~~ private company shall have in its construction and  
21 operation of ~~such~~ the facilities the same ad valorem ~~and sales~~ tax liability exemption  
22 as the municipal corporation, parish, or sewerage or water district with which it  
23 contracts for such purpose.

24 \* \* \*

25 Section 5. R.S. 47:301(3), (4)(i) through (k), (6), (7), (8), (10), (13), (14), (16), (18),  
26 and (23) through (29), 301.1(A)(introductory paragraph), (B)(2)(b) through (d), (C)(2)(b),  
27 (D), and (E), 302(D) 303(B)(introductory paragraph), (1)(introductory paragraph) and  
28 (b)(introductory paragraph), (3)(b)(ii), and (4), (D)(1), (E), and (F), 303.1(B)(5), 304(A),  
29 305(A), (B), (C), (D)(1), and (E) through (I), 305.2 through 305.4, 305.6 through 305.8,

1 305.10(F), 305.20(A), (C), and (D), 305.50(B) through (D), 305.72(C), 305.73(B) through  
2 (D), 306.5(B), 318(A), 321(A) and (C), 322, 331(A) through (C), 332, 337.2(C)(2) and (4)(a)  
3 and (b)(i)(aa)(II) and (bb)(II), 337.4(B)(6) and (7), 337.6(B), 337.8(B), 337.13(A),  
4 463.8(B)(1)(b) and (3), and 6001(A) are hereby amended and reenacted and R.S. 47:  
5 301(4)(l), 301.3, 301.4, 301.5, 305(J), 305.5, 305.12, and 305.72(D) through (F) are hereby  
6 enacted to read as follows:

7 §301. Definitions

8 As used in this Chapter, the following words, terms, and phrases have the  
9 meanings ascribed to them in this Section, unless the context clearly indicates a  
10 different meaning:

11 \* \* \*

12 (3)(a) "Cost price" means the actual cost of the articles of tangible personal  
13 property without any deductions therefrom on account of the cost of materials used,  
14 labor, or service cost, ~~except those service costs for installing the articles of tangible~~  
15 ~~personal property if such cost is separately billed to the customer at the time of~~  
16 ~~installation, including service costs for installation, and transportation charges, or~~  
17 any other expenses whatsoever, or the reasonable market value of the tangible  
18 personal property at the time it becomes susceptible to the use tax, whichever is less.

19 (b) ~~In the case of tangible personal property which has acquired a tax situs~~  
20 ~~in a taxing jurisdiction and is thereafter transported outside the taxing jurisdiction for~~  
21 ~~repairs performed outside the taxing jurisdiction and is thereafter returned to the~~  
22 ~~taxing jurisdiction, the cost price shall be deemed to be the actual cost of any parts~~  
23 ~~and/or materials used in performing such repairs, if applicable labor charges are~~  
24 ~~separately stated on the invoice. If the applicable labor charges are not separately~~  
25 ~~stated on the invoice, it shall be presumed that the cost price is the total charge~~  
26 ~~reflected on the invoice.~~

27 (c) ~~"Cost price" shall not include the supplying and installation of board~~  
28 ~~roads to oil field operators if the installation charges are separately billed to the~~  
29 ~~customer at the time of installation.~~

1           ~~(d)(i) In the case of interchangeable components located in Louisiana, a~~  
2           ~~taxpayer may elect to determine the cost price of such components as follows:~~

3           ~~(aa) The taxpayer shall send to the secretary written notice of the calendar~~  
4           ~~month selected by the taxpayer as the first month for the determination of cost price~~  
5           ~~under this Paragraph (the "First Month"). The taxpayer may select any month. The~~  
6           ~~taxpayer shall send to the secretary notice of an election to designate a First Month~~  
7           ~~on the first day of the designated First Month, or ninety days from July 1, 1990,~~  
8           ~~whichever is later.~~

9           ~~(bb) For the First Month and each month thereafter, cost price shall be based~~  
10           ~~and use tax shall be paid only on one-sixtieth of the aggregate cost price of the~~  
11           ~~interchangeable components deployed and earning revenue within Louisiana during~~  
12           ~~the month, without regard to any credit or other consideration for Louisiana state,~~  
13           ~~political subdivision, or school board use tax previously paid on such~~  
14           ~~interchangeable components.~~

15           ~~(cc) Any election made under this Paragraph shall be irrevocable for a period~~  
16           ~~of sixty consecutive months inclusive of the First Month. If at any time after the~~  
17           ~~sixty-month period the taxpayer revokes its election, no credit or other consideration~~  
18           ~~for use taxes paid pursuant thereto shall be applied to any use tax liability arising~~  
19           ~~after such revocation.~~

20           ~~(ii)(aa) For purposes of this Paragraph, "interchangeable component" means~~  
21           ~~a component that is used or stored for use in measurement-while-drilling instruments~~  
22           ~~or systems manufactured or assembled by the taxpayer, which measurement-while-~~  
23           ~~drilling instruments or systems collectively generate eighty percent or more of their~~  
24           ~~annual revenue from their use outside of the state.~~

25           ~~(bb) "Measurement-while-drilling instruments or systems" means~~  
26           ~~instruments or systems which measure information from a downhole location in a~~  
27           ~~borehole, transmit the information to the surface during the process of drilling the~~  
28           ~~borehole using a wireless technique, and receive and decode the information on the~~  
29           ~~surface.~~

1           ~~(iii) The method for determining cost price of interchangeable components~~  
2           ~~provided for in this Paragraph shall apply to any use taxes imposed by a local~~  
3           ~~political subdivision or school board. For purposes of that application, the words~~  
4           ~~"political subdivision" or "school board" as the case may be, shall be substituted for~~  
5           ~~the words "Louisiana" or "State" in each instance where those words appear in this~~  
6           ~~Paragraph and an appropriate official of the local political subdivision or school~~  
7           ~~board shall be designated to receive the notices required by this Paragraph.~~

8           ~~(e) "Cost price" shall not include any amount designated as a cash discount~~  
9           ~~or a rebate by a vendor or manufacturer of any new vehicle subject to the motor~~  
10          ~~vehicle license tax. For purposes of this Paragraph "rebate" means any amount~~  
11          ~~offered by the vendor or manufacturer as a deduction from the listed retail price of~~  
12          ~~the vehicle.~~

13          ~~(f)(c) The "cost price" of refinery gas shall be fifty-two cents per thousand~~  
14          ~~cubic feet multiplied by a fraction the numerator of which shall be the posted price~~  
15          ~~for a barrel of West Texas Intermediate Crude Oil on December first of the preceding~~  
16          ~~calendar year and the denominator of which shall be twenty-nine dollars, and~~  
17          ~~provided further that such cost price shall be the maximum value placed upon~~  
18          ~~refinery gas by the state and by any political subdivision under any authority or grant~~  
19          ~~of power to levy and collect use taxes.~~

20          ~~(g) "Cost price", for purposes of the use tax imposed by the state and its~~  
21          ~~political subdivisions, shall exclude any amount that a manufacturer pays directly to~~  
22          ~~a dealer of the manufacturer's product for the purpose of reducing and that actually~~  
23          ~~results in an equivalent reduction in the retail "cost price" of that product. This~~  
24          ~~exclusion shall not apply to the value of the coupons that dealers accept from~~  
25          ~~purchasers as part payment of the "sales price" and that are redeemable by the~~  
26          ~~dealers through manufacturers or their agents. The value of such coupons is deemed~~  
27          ~~to be part of the "cost price" of the product purchased through the use of the coupons.~~

1           ~~(h)(i) For purposes of a publishing business which distributes its news~~  
2           ~~publications at no cost to readers and pays unrelated third parties to print such news~~  
3           ~~publications, the term "cost price" shall mean only the lesser of the following costs:~~

4           ~~(aa) The printing cost paid to unrelated third parties to print such news~~  
5           ~~publications, less any itemized freight charges for shipping the news publications~~  
6           ~~from the printer to the publishing business and any itemized charges for paper and~~  
7           ~~ink.~~

8           ~~(bb) Payments to a dealer or distributor as consideration for distribution of~~  
9           ~~the news publications.~~

10           ~~(ii) The definition of "cost price" provided for in this Subparagraph shall be~~  
11           ~~applicable to taxes levied by all tax authorities in the state.~~

12           ~~(i)(i) For purposes of the imposition of the use tax levied by the state under~~  
13           ~~R.S. 47:302, 321, and 331, the cost price of machinery and equipment used by a~~  
14           ~~manufacturer in a plant facility predominately and directly in the actual~~  
15           ~~manufacturing for agricultural purposes or the actual manufacturing process of an~~  
16           ~~item of tangible personal property, which is for ultimate sale to another and not for~~  
17           ~~internal use, at one or more fixed locations within Louisiana, shall be reduced as~~  
18           ~~follows:~~

19           ~~(aa) For the period ending on June 30, 2005, the cost price shall be reduced~~  
20           ~~by five percent.~~

21           ~~(bb) For the period beginning July 1, 2005, and ending on June 30, 2006, the~~  
22           ~~cost price shall be reduced by nineteen percent.~~

23           ~~(cc) For the period beginning July 1, 2006, and ending on June 30, 2007, the~~  
24           ~~cost price shall be reduced by thirty-five percent.~~

25           ~~(dd) For the period beginning July 1, 2007, and ending on June 30, 2008, the~~  
26           ~~cost price shall be reduced by fifty-four percent.~~

27           ~~(ee) For the period beginning July 1, 2008, and ending on June 30, 2009, the~~  
28           ~~cost price shall be reduced by sixty-eight percent.~~

1           ~~(ff) For all periods beginning on or after July 1, 2009, the cost price shall be~~  
2           ~~reduced by one hundred percent.~~

3           (ii) For purposes of this Subparagraph, the following definitions shall apply:

4           ~~(aa) "Machinery and equipment" means tangible personal property or other~~  
5           ~~property that is eligible for depreciation for federal income tax purposes and that is~~  
6           ~~used as an integral part in the manufacturing of tangible personal property for sale.~~  
7           ~~"Machinery and equipment" shall also mean tangible personal property or other~~  
8           ~~property that is eligible for depreciation for federal income tax purposes and that is~~  
9           ~~used as an integral part of the production, processing, and storing of food and fiber~~  
10           ~~or of timber.~~

11           ~~(f) Machinery and equipment, for purposes of this Subparagraph, also~~  
12           ~~includes but is not limited to the following:~~

13           ~~(aaa) Computers and software that are an integral part of the machinery and~~  
14           ~~equipment used directly in the manufacturing process.~~

15           ~~(bbb) Machinery and equipment necessary to control pollution at a plant~~  
16           ~~facility where pollution is produced by the manufacturing operation.~~

17           ~~(ccc) Machinery and equipment used to test or measure raw materials, the~~  
18           ~~property undergoing manufacturing or the finished product, when such test or~~  
19           ~~measurement is a necessary part of the manufacturing process.~~

20           ~~(ddd) Machinery and equipment used by an industrial manufacturing plant~~  
21           ~~to generate electric power for self consumption or cogeneration.~~

22           ~~(eee) Machinery and equipment used primarily to produce a news~~  
23           ~~publication whether it is ultimately sold at retail or for resale or at no cost. Such~~  
24           ~~machinery and equipment shall include but not be limited to all machinery and~~  
25           ~~equipment used primarily in composing, creating, and other prepress operations,~~  
26           ~~electronic transmission of pages from prepress to press, pressroom operations, and~~  
27           ~~mailroom operations and assembly activities. The term "news publication" shall~~  
28           ~~mean any publication issued daily or regularly at average intervals not exceeding~~  
29           ~~three months, which contains reports of varied character, such as political, social,~~



1 ~~cultural, sports, moral, religious, or subjects of general public interest, and~~  
2 ~~advertising supplements and any other printed matter ultimately distributed with or~~  
3 ~~a part of such publications.~~

4 ~~(H) Machinery and equipment, for purposes of this Subparagraph, does not~~  
5 ~~include any of the following:~~

6 ~~(aaa) A building and its structural components, unless the building or~~  
7 ~~structural component is so closely related to the machinery and equipment that it~~  
8 ~~houses or supports that the building or structural component can be expected to be~~  
9 ~~replaced when the machinery and equipment are replaced.~~

10 ~~(bbb) Heating, ventilation, and air-conditioning systems, unless their~~  
11 ~~installation is necessary to meet the requirements of the manufacturing process, even~~  
12 ~~though the system may provide incidental comfort to employees or serve, to an~~  
13 ~~insubstantial degree, nonproduction activities.~~

14 ~~(ccc) Tangible personal property used to transport raw materials or~~  
15 ~~manufactured goods prior to the beginning of the manufacturing process or after the~~  
16 ~~manufacturing process is complete.~~

17 ~~(ddd) Tangible personal property used to store raw materials or~~  
18 ~~manufactured goods prior to the beginning of the manufacturing process or after the~~  
19 ~~manufacturing process is complete.~~

20 ~~(bb) "Manufacturer" means:~~

21 ~~(f) A person whose principal activity is manufacturing, as defined in this~~  
22 ~~Subparagraph, and who is assigned by the Louisiana Workforce Commission a North~~  
23 ~~American Industrial Classification System code within the agricultural, forestry,~~  
24 ~~fishing, and hunting Sector 11, the manufacturing Sectors 31-33, the information~~  
25 ~~Sector 511110 as they existed in 2002, or industry code 423930 as a recyclable~~  
26 ~~material merchant wholesaler engaged in manufacturing activities, which must~~  
27 ~~include shredding facilities, as determined by the secretary of the Department of~~  
28 ~~Revenue.~~

1           ~~(H) A person whose principal activity is manufacturing and who is not~~  
2           ~~required to register with the Louisiana Workforce Commission for purposes of~~  
3           ~~unemployment insurance, but who would be assigned a North American Industrial~~  
4           ~~Classification System code within the agricultural, forestry, fishing, and hunting~~  
5           ~~Sector 11, the manufacturing Sectors 31-33, the information Sector 511110 as they~~  
6           ~~existed in 2002, as determined by the Louisiana Department of Revenue from federal~~  
7           ~~income tax data, if he were required to register with the Louisiana Workforce~~  
8           ~~Commission for purposes of unemployment insurance.~~

9           ~~(cc) "Manufacturing" means putting raw materials through a series of steps~~  
10          ~~that brings about a change in their composition or physical nature in order to make~~  
11          ~~a new and different item of tangible personal property that will be sold to another.~~  
12          ~~Manufacturing begins at the point at which raw materials reach the first machine or~~  
13          ~~piece of equipment involved in changing the form of the material and ends at the~~  
14          ~~point at which manufacturing has altered the material to its completed form. Placing~~  
15          ~~materials into containers, packages, or wrapping in which they are sold to the~~  
16          ~~ultimate consumer is part of this manufacturing process. Manufacturing, for~~  
17          ~~purposes of this Subparagraph, does not include any of the following:~~

18                 ~~(i) Repackaging or redistributing.~~

19                 ~~(ii) The cooking or preparing of food products by a retailer in the regular~~  
20                 ~~course of retail trade.~~

21                 ~~(iii) The storage of tangible personal property.~~

22                 ~~(iv) The delivery of tangible personal property to or from the plant.~~

23                 ~~(v) The delivery of tangible personal property to or from storage within the~~  
24                 ~~plant.~~

25                 ~~(vi) Actions such as sorting, packaging, or shrink wrapping the final~~  
26                 ~~material for ease of transporting and shipping.~~

27                 ~~(dd) "Manufacturing for agricultural purposes" means the production,~~  
28                 ~~processing, and storing of food and fiber and the production, processing, and storing~~  
29                 ~~of timber.~~

1           ~~(cc) "Plant facility" means a facility, at one or more locations, in which~~  
2           ~~manufacturing, referred to in Sectors 11 and 31-33 of the North American Industrial~~  
3           ~~Classification system as of 2002, of a product of tangible personal property takes~~  
4           ~~place.~~

5           ~~(ff) "Used directly" means used in the actual process of manufacturing or~~  
6           ~~manufacturing for agricultural purposes.~~

7           ~~(iii) No person shall be entitled to purchase, use, lease, or rent machinery or~~  
8           ~~equipment as defined herein without payment of the tax imposed by R.S. 47:302,~~  
9           ~~321, and 331 before receiving a certificate of exclusion from the secretary of the~~  
10          ~~Department of Revenue certifying that he is a manufacturer as defined herein.~~

11          ~~(iv) The secretary of the Department of Revenue is hereby authorized to~~  
12          ~~adopt rules and regulations in order to administer the exclusion provided for in this~~  
13          ~~Subparagraph.~~

14          ~~(j) For the purpose of the sales and use taxes imposed by the state under R.S.~~  
15          ~~47:302, 321, and 331, the "cost price" of electric power or energy, or natural gas for~~  
16          ~~the period beginning July 1, 2007 and thereafter, purchased or used by paper or wood~~  
17          ~~products manufacturing facilities shall not include any of such cost.~~

18          ~~(k)(i) For purposes of the imposition of the sales and use tax levied by the~~  
19          ~~state under R.S. 47:302, 321, and 331, the tax on the cost price of tangible property~~  
20          ~~consumed in the manufacturing process, such as fuses, belts, felts, wires, conveyor~~  
21          ~~belts, lubricants, and motor oils and the tax on the cost price of repairs and~~  
22          ~~maintenance of manufacturing machinery and equipment shall be reduced as follows:~~

23                 ~~(aa) For the period beginning July 1, 2010, and ending on June 30, 2011, the~~  
24                 ~~state sales and use tax on the cost price shall be reduced by twenty-five percent.~~

25                 ~~(bb) For the period beginning July 1, 2011, and ending June 30, 2012, the~~  
26                 ~~state sales and use tax on the cost price shall be reduced by fifty percent.~~

27                 ~~(cc) For the period beginning July 1, 2012, and ending June 30, 2013, the~~  
28                 ~~state sales and use tax on the cost price shall be reduced by seventy-five percent.~~



1                   ~~(n)~~(i)~~(l)~~(i) Any person who operates, maintains, or facilitates a peer-to-peer  
2                   vehicle sharing program and collects any amount required to be paid as part of a  
3                   vehicle sharing program agreement whereby a shared vehicle owner leases or rents  
4                   a shared vehicle to a shared vehicle driver in this state.

5                   (ii) For the purposes of this Subparagraph, the following definitions shall  
6                   apply:

7                   (aa) "Peer-to-peer vehicle sharing" means the authorized use of a vehicle by  
8                   a person other than the vehicle's owner through a peer-to-peer car sharing program.

9                   (bb) "Peer-to-peer vehicle sharing program" means a business platform that  
10                  connects a shared vehicle owner with a shared vehicle driver to enable the sharing  
11                  of vehicles for financial consideration.

12                  (cc) "Shared vehicle" means a vehicle that is available for sharing through  
13                  a peer-to-peer vehicle sharing program.

14                  (dd) "Shared vehicle driver" means a person who has been authorized to  
15                  drive the shared vehicle by the shared vehicle owner under a vehicle sharing program  
16                  agreement.

17                  (ee) "Shared vehicle owner" means the registered owner, or a person or  
18                  entity designated by the registered owner, of a shared vehicle made available for  
19                  sharing to shared vehicle drivers through a peer-to-peer vehicle sharing program.

20                  (ff) "Vehicle sharing program agreement" means the terms and conditions  
21                  applicable to a shared vehicle owner and a shared vehicle driver that govern the use  
22                  of a shared vehicle through a peer-to-peer vehicle sharing program.

23   \*       \*       \*

24                  ~~(6)~~(a) "Hotel" means and includes any establishment or person engaged in  
25                  the business of furnishing sleeping rooms, cottages, or cabins to transient guests,  
26                  where such establishment consists of sleeping rooms, cottages, or cabins at any of  
27                  the following:

28                   ~~(i)~~(a) A single business location.

1           ~~(ii)(b)~~ (b) A residential location, including but not limited to a house, apartment,  
2           condominium, camp, cabin, or other building structure used as a residence.

3           ~~(iii)(c)~~ (c) For purposes of this Chapter, hotel shall not mean or include any  
4           establishment or person leasing apartments or single family dwelling on a month-to-  
5           month basis.

6           ~~(b) For purposes of the sales and use taxes of all tax authorities in this state,  
7           the term "hotel" as defined herein shall not include camp and retreat facilities owned  
8           and operated by nonprofit organizations exempt from federal income tax under  
9           Section 501(a) of the Internal Revenue Code as an organization described in Section  
10          501(c)(3) of the Internal Revenue Code provided that the net revenue derived from  
11          the organizations's property is devoted wholly to the nonprofit organization's  
12          purposes. However, for purposes of this Paragraph, the term "hotel" shall include  
13          camp and retreat facilities which shall sell rooms or other accommodations to  
14          transient guests who are not attending a function of such nonprofit organization that  
15          owns and operates the camp and retreat facilities or a function of another nonprofit  
16          organization exempt from federal income tax under Section 501(a) of the Internal  
17          Revenue Code as an organization described in Section 501(c)(3) of the Internal  
18          Revenue Code. It is the intention of the legislature to tax the furnishing of rooms to  
19          those who merely purchase lodging at such facilities.~~

20          ~~(c) For purposes of the sales and use taxes of all tax authorities in this state,  
21          the term "hotel", as defined herein, shall not include a temporary lodging facility  
22          which is operated by a nonprofit organization described in Section 501(c)(3) of the  
23          Internal Revenue Code, provided that the facility is devoted exclusively to the  
24          temporary housing, for periods no longer than thirty days' duration, of homeless  
25          transient persons whom the organization determines to be financially incapable of  
26          engaging lodging at a facility defined by Subparagraph (a) of this Paragraph, and  
27          further provided that the lodging charge to such persons is no greater than twenty  
28          dollars per day.~~

1           (7)(a) "Lease or rental" means the leasing or renting of tangible personal  
2 property and the possession or use thereof by the lessee or renter, for a consideration,  
3 without transfer of the title of such property. For the purpose of the leasing or  
4 renting of automobiles, "lease" means the leasing of automobiles and the possession  
5 or use thereof by the lessee, for a consideration, without the transfer of the title of  
6 such property for a one hundred eighty-day period or more. "Rental" means the  
7 renting of automobiles and the possession or use thereof by the renter, for a  
8 consideration, without the transfer of the title of such property for a period less than  
9 one hundred eighty days.

10           (b) Solely for purposes of the state sales and use taxes imposed under R.S.  
11 47:302, 321, and 331, the term "lease or rental", as herein defined, shall not mean or  
12 include the lease or rental made for the purposes of re-lease or re-rental of casing  
13 tools and pipe, drill pipe, tubing, compressors, tanks, pumps, power units, other  
14 drilling or related equipment used in connection with the operating, drilling,  
15 completion, or reworking of oil, gas, sulphur, or other mineral wells.

16           ~~(c) The term "lease or rental", as herein defined shall not mean or include a~~  
17 ~~lease or rental of property to be used in performance of a contract with the United~~  
18 ~~States Department of the Navy for construction or overhaul of U.S. Naval vessels.~~

19           ~~(d) Solely for purposes of the state sales and use taxes imposed under R.S.~~  
20 ~~47:302, 321, and 331, the term "lease or rental", as herein defined, shall not mean the~~  
21 ~~lease or rental of airplanes or airplane equipment by a commuter airline domiciled~~  
22 ~~in Louisiana.~~

23           ~~(e) For purposes of state and political subdivision sales and use tax, the term~~  
24 ~~"lease or rental", as herein defined, shall not mean the lease or rental of items,~~  
25 ~~including but not limited to supplies and equipment, which are reasonably necessary~~  
26 ~~for the operation of free hospitals.~~

27           ~~(f) For purposes of state and political subdivision sales and use tax, "lease~~  
28 ~~or rental" shall not mean the lease or rental of educational materials or equipment~~  
29 ~~used for classroom instruction by approved parochial and private elementary and~~

1        ~~secondary schools which comply with the court order from the Dodd Brumfield~~  
2        ~~decision and Section 501(c)(3) of the Internal Revenue Code, limited to books,~~  
3        ~~workbooks, computers, computer software, films, videos, and audio tapes.~~

4            ~~(g) For purposes of state and political subdivision sales and use tax, "lease~~  
5        ~~or rental" shall not mean the lease or rental of tangible personal property to Boys~~  
6        ~~State of Louisiana, Inc. and Girls State of Louisiana, Inc. which is used by such~~  
7        ~~organizations for their educational and public service programs for youth.~~

8            ~~(h) For purposes of state and political subdivision sales and use tax, the term~~  
9        ~~"lease or rental" shall not mean or include the lease or rental of motor vehicles by~~  
10       ~~licensed motor vehicle dealers, as defined in R.S. 32:1252(35), or vehicle~~  
11       ~~manufacturers, as defined in R.S. 32:1252(24), for their use in furnishing such leased~~  
12       ~~or rented motor vehicles to their customers in performance of their obligations under~~  
13       ~~warranty agreements associated with the purchase of a motor vehicle or when the~~  
14       ~~applicable warranty has lapsed and the leased or rented motor vehicle is provided to~~  
15       ~~the customer at no charge.~~

16           ~~(i) For purposes of sales and use taxes levied and imposed by local~~  
17        ~~governmental subdivisions, school boards, and other political subdivisions whose~~  
18        ~~boundaries are not coterminous with those of the state, "lease or rental" by a person~~  
19        ~~shall not mean or include the lease or rental of tangible personal property if such~~  
20        ~~lease or rental is made under the provisions of Medicare.~~

21           ~~(j) Solely for purposes of the sales and use tax levied by the state under R.S.~~  
22        ~~47:302, 321, and 331, the term "lease or rental" shall not include the lease or rental~~  
23        ~~in this state of manufacturing machinery and equipment used or consumed in this~~  
24        ~~state to manufacture, produce, or extract unblended biodiesel.~~

25           ~~(k)(i) For purposes of any sales, use, or lease tax levied by the state, or any~~  
26        ~~political subdivision of the state, the term "lease or rental" shall not include the lease~~  
27        ~~or rental of a crane and related equipment with an operator.~~



1           (ii) ~~Notwithstanding the provisions of Item (i) of this Subparagraph, cranes~~  
2           ~~leased or rented with an operator are subject to the provisions of the sales and use tax~~  
3           ~~law upon first use in Louisiana.~~

4           ~~(1)(i) For purposes of the sales and use tax levied by the state under R.S.~~  
5           ~~47:302, 321, and 331, and by any political subdivision, the term "lease or rental"~~  
6           ~~shall not apply to leases or rentals of pallets which are used in packaging products~~  
7           ~~produced by a manufacturer.~~

8           (ii) ~~For purposes of this Subparagraph, the term "manufacturer" shall mean~~  
9           ~~a person whose primary activity is manufacturing and who is assigned by the~~  
10           ~~Louisiana Workforce Commission a North American Industrial Classification~~  
11           ~~System code within the manufacturing sectors 31-33 as they existed in 2002.~~

12           ~~(m)(i)(c)(i)~~ For purposes of any sales, use, lease, or rental tax, the term  
13           "lease or rental" shall not mean or include the lease or rental of any item of tangible  
14           personal property by a short-term equipment rental dealer for the purpose of re-lease  
15           or re-rental.

16           (ii) For purposes of this Subparagraph, "short-term equipment rental dealer"  
17           shall mean a person or entity whose principal business is the short-term rental of  
18           tangible personal property classified under the code numbers 532412 and 532310 of  
19           the North American Industry Classification System published by the United States  
20           Bureau of the Census.

21           (iii) For purposes of this Subparagraph, "short-term rental" shall mean the  
22           rental of an item of tangible personal property for a period of less than three hundred  
23           sixty-five days, for an undefined period, or under an open-ended agreement.

24           (8)(a) "Person", ~~except as provided in Subparagraph (c)~~, includes any  
25           individual, firm, copartnership, joint adventure, association, corporation, estate, trust,  
26           business trust, receiver, syndicate, this state, any parish, city and parish,  
27           municipality, district or other political subdivision thereof or any board, agency,  
28           instrumentality, or other group or combination acting as a unit, and the plural as well  
29           as the singular number.

1           ~~(b) Solely for purposes of the payment of state sales or use tax on the lease~~  
2           ~~or rental or the purchase of tangible personal property or services, "person" shall not~~  
3           ~~include a regionally accredited independent institution of higher education which is~~  
4           ~~a member of the Louisiana Association of Independent Colleges and Universities,~~  
5           ~~if such lease or rental or purchase is directly related to the educational mission of~~  
6           ~~such institution. However, the term "person" shall include such institution for~~  
7           ~~purposes of the payment of tax on sales by such institution if the sales are not~~  
8           ~~otherwise exempt.~~

9           ~~(c)(i) For purposes of the payment of the state sales and use tax and the sales~~  
10           ~~and use tax levied by any political subdivision, "person" shall not include this state,~~  
11           ~~any parish, city and parish, municipality, district, or other political subdivision~~  
12           ~~thereof, or any agency, board, commission, or instrumentality of this state or its~~  
13           ~~political subdivisions.~~

14           ~~(ii) Upon request by any political subdivision for an exemption identification~~  
15           ~~number, the Department of Revenue shall issue such number. The secretary may~~  
16           ~~promulgate rules and regulations in accordance with the Administrative Procedure~~  
17           ~~Act to carry out the provisions of this Item.~~

18           ~~(d)(i) For purposes of the payment of the state sales and use tax and the sales~~  
19           ~~and use tax levied by any political subdivision, the term "person" shall not include~~  
20           ~~a church or synagogue that is recognized by the United States Internal Revenue~~  
21           ~~Service as entitled to exemption under Section 501(c)(3) of the United States Internal~~  
22           ~~Revenue Code.~~

23           ~~(ii) The secretary of the Department of Revenue shall promulgate rules and~~  
24           ~~regulations defining the terms "church" and "synagogue" for purposes of this~~  
25           ~~exclusion. The definitions shall be consistent with the criteria established by the~~  
26           ~~U.S. Internal Revenue Service in identifying organizations that qualify for church~~  
27           ~~status for federal income tax purposes.~~

28           ~~(iii) No church or synagogue shall claim exemption or exclusion from the~~  
29           ~~state sales and use tax or the sales and use tax levied by any political subdivision~~

1       ~~before having obtained a certificate of authorization from the secretary of the~~  
2       ~~Department of Revenue. The secretary shall develop applications for such~~  
3       ~~certificates. The certificates shall be issued without charge to the institutions that~~  
4       ~~qualify.~~

5               ~~(iv) The exclusion from the sales and use tax authorized by this~~  
6       ~~Subparagraph shall apply only to purchases of bibles, song books, or literature used~~  
7       ~~for religious instruction classes.~~

8               ~~(e)(i) For purposes of the payment of the state sales and use tax and the sales~~  
9       ~~and use tax levied by any political subdivision, the term "person" shall not include~~  
10       ~~the Society of the Little Sisters of the Poor.~~

11               ~~(ii) The secretary of the Department of Revenue shall promulgate rules and~~  
12       ~~regulations for purposes of this exclusion. The definitions shall be consistent with~~  
13       ~~the criteria established by the U.S. Internal Revenue Service in identifying tax-~~  
14       ~~exempt status for federal income tax purposes.~~

15               ~~(iii) No member of the Society of the Little Sisters of the Poor shall claim~~  
16       ~~exemption or exclusion from the state sales and use tax or the sales and use tax~~  
17       ~~levied by any political subdivision before having obtained a certificate of~~  
18       ~~authorization from the secretary of the Department of Revenue. The secretary shall~~  
19       ~~develop applications for such certificates. The certificates shall be issued without~~  
20       ~~charge to the entities which qualify.~~

21               ~~(f)(i) For purposes of the payment of sales and use tax levied by this state~~  
22       ~~and any political subdivision whose boundaries are coterminous with those of the~~  
23       ~~state, the term "person" shall not include a nonprofit entity which sells donated goods~~  
24       ~~and spends seventy-five percent or more of its revenues on directly employing or~~  
25       ~~training for employment persons with disabilities or workplace disadvantages.~~

26               ~~(ii) The secretary shall promulgate rules and regulations for the use of~~  
27       ~~exclusion certificates for purposes of implementation of this Subparagraph. Each~~  
28       ~~nonprofit entity electing to utilize the exclusion provided for in this Subparagraph~~

1 shall apply for an exclusion certificate annually. Any exclusion certificate granted  
2 by the Department of Revenue shall be effective for a one-year period.

3 (iii) ~~The secretary shall provide forms for nonprofit entities to request an~~  
4 ~~exclusion certificate.~~

5 \* \* \*

6 (10)(a)(i) ~~Solely for the~~ For purposes of the imposition of the state sales and  
7 use tax taxes levied by any taxing authority, "retail sale" or "sale at retail" means a  
8 sale to a consumer or to any other person for any purpose other than for resale as  
9 tangible personal property, ~~or for the lease of automobiles in an arm's length~~  
10 ~~transaction,~~ or resale of a service provided for in R.S. 47:301.3 provided the retail  
11 sale of the service is subject to sales tax in this state and shall mean and include all  
12 ~~such~~ transactions as the secretary, upon investigation, finds to be in lieu of sales;  
13 provided that sales for resale ~~or for lease of automobiles in an arm's length~~  
14 ~~transaction must~~ shall be made in strict compliance with ~~the~~ rules and regulations.  
15 ~~Any dealer making a sale for resale or for the lease of automobiles, which is not in~~  
16 ~~strict compliance with the rules and regulations, shall himself be liable for and pay~~  
17 ~~the tax.~~

18 (ii) ~~Solely for purposes of the imposition of the sales and use tax levied by~~  
19 ~~a political subdivision or school board, "retail sale" or "sale at retail" shall mean a~~  
20 ~~sale to a consumer or to any other person for any purpose other than for resale in the~~  
21 ~~form of tangible personal property, or resale of those services defined in Paragraph~~  
22 ~~(14) of this Section provided the retail sale of the service is subject to sales tax in this~~  
23 ~~state, and shall mean and include all such transactions as the collector, upon~~  
24 ~~investigation, finds to be in lieu of sales; provided that sales for resale be made in~~  
25 ~~strict compliance with the rules and regulations. Any dealer making a sale for resale,~~  
26 ~~which is not in strict compliance with the rules and regulations shall himself be liable~~  
27 ~~for and pay the tax. A local collector shall accept a resale certificate issued by the~~  
28 ~~Department of Revenue, provided the taxpayer includes the parish of its principal~~  
29 ~~place of business and local sales tax account number on the state certificate.~~

1           However, in the case of an intra-parish transaction from dealer to dealer, the  
2           collector may require that the local exemption certificate be used in lieu of the state  
3           certificate. The department shall accommodate the inclusion of ~~such~~ this information  
4           on its resale certificate for ~~such~~ these purposes.

5           ~~(iii) "Retail sale" or "sale at retail" for purposes of sales and use taxes~~  
6           ~~imposed by the state on transactions involving the sale for rental of automobiles~~  
7           ~~which take place on or after January 1, 1991, and by political subdivisions on such~~  
8           ~~transactions on or after July 1, 1996, and state sales and use taxes imposed on~~  
9           ~~transactions involving the lease or rental of tangible personal property other than~~  
10           ~~automobiles which take place on or after July 1, 1991, means a sale to a consumer~~  
11           ~~or to any other person for any purpose other than for resale as tangible personal~~  
12           ~~property, or for lease or rental in an arm's length transaction in the form of tangible~~  
13           ~~personal property, and shall mean and include all such transactions as the secretary,~~  
14           ~~upon investigation, finds to be in lieu of sales; provided that sales for resale or for~~  
15           ~~lease or rental in an arm's length transaction must be made in strict compliance with~~  
16           ~~the rules and regulations. Any dealer making a sale for resale or for lease or rental,~~  
17           ~~which is not in strict compliance with the rules and regulations, shall himself be~~  
18           ~~liable for and pay the tax. For purposes of the imposition of the tax imposed by any~~  
19           ~~political subdivision of the state, for the period beginning on July 1, 1999, and~~  
20           ~~ending on June 30, 2000, the term "retail sale" or "sale at retail" shall not include~~  
21           ~~one-fourth of the sales price of any tangible personal property which is sold in order~~  
22           ~~to be leased or rented in an arm's length transaction in the form of tangible personal~~  
23           ~~property. For purposes of the imposition of the tax imposed by any political~~  
24           ~~subdivision of the state, for the period beginning on July 1, 2000, and ending on June~~  
25           ~~30, 2001, the term "retail sale" or "sale at retail" shall not include one-half of the~~  
26           ~~sales price of any tangible personal property which is sold in order to be leased or~~  
27           ~~rented in an arm's length transaction in the form of tangible personal property. For~~  
28           ~~purposes of the imposition of the tax imposed by any political subdivision of the~~  
29           ~~state, for the period beginning on July 1, 2001, and ending on June 30, 2002, the~~

1 term "retail sale" or "sale at retail" shall not include ~~three-fourths of the sales price~~  
2 of any tangible personal property which is sold in order to be leased or rented in an  
3 arm's length transaction in the form of tangible personal property. ~~Beginning July~~  
4 ~~1, 2002, for the purposes of imposition of the tax levied by any political subdivision~~  
5 ~~of the state, the term "retail sale" or "sale at retail" shall not include the sale of any~~  
6 ~~tangible personal property which is sold in order to be leased or rented in an arm's~~  
7 ~~length transaction in the form of tangible personal property.~~

8 (iv) ~~"Retail sale" or "sale at retail", for purposes of sales and use taxes~~  
9 ~~imposed by the state on transactions involving the sale for rental of automobiles~~  
10 ~~which take place prior to January 1, 1991, and by political subdivisions on such~~  
11 ~~transactions prior to July 1, 1996, and imposed on transactions involving the lease~~  
12 ~~or rental of tangible personal property other than autos which take place prior to July~~  
13 ~~1, 1991, and for purposes of local sales and use taxes levied by political subdivisions~~  
14 ~~except for transactions involving the sale for rental of automobiles on or after July~~  
15 ~~1, 1996, means a sale to a consumer or to any other person for any purpose other~~  
16 ~~than for resale in the form of tangible personal property, and shall mean and include~~  
17 ~~all such transactions as the secretary, upon investigation, finds to be in lieu of sales;~~  
18 ~~provided that sales for resale must be made in strict compliance with the rules and~~  
19 ~~regulations. Any dealer making a sale for resale, which is not in strict compliance~~  
20 ~~with the rules and regulations, shall himself be liable for and pay the tax. However,~~  
21 ~~contrary provisions of law notwithstanding, any political subdivision may, by~~  
22 ~~ordinance, adopt the definition of "retail sale" or "sale at retail" provided in Item (iii)~~  
23 ~~of this Subparagraph for purposes of the imposition of its sales and use tax.~~

24 (vi) ~~Solely for purposes of the payment of state sales and use tax, until~~  
25 ~~January 1, 2007, the term "sale at retail" shall not include purchases made in~~  
26 ~~connection with the filming or production of a motion picture by a motion picture~~  
27 ~~production company which has been relieved from the payment of state sales and use~~  
28 ~~tax under the provisions of Chapter 12 of Subtitle H of this Title, also known as the~~  
29 ~~"Louisiana Motion Picture Incentive Act". This exclusion shall be retroactively~~

1           revoked if it is determined that a motion picture production company that has been  
2           relieved from payment of state sales and use tax under Chapter 12 failed to meet the  
3           conditions of such relief:

4                   (b)(i) ~~Solely for purposes of the sales and use tax levied by the state, the sale~~  
5                   ~~of tangible personal property to a dealer who purchases said property for resale~~  
6                   ~~through coin-operated vending machines shall be considered a "sale at retail", subject~~  
7                   ~~to such tax. The subsequent resale of the property by the dealer through~~  
8                   ~~coin-operated vending machines shall not be considered a "sale at retail".~~

9                   (ii) ~~Solely for purposes of the sales and use tax levied by political~~  
10                  ~~subdivisions, the term "sale at retail" shall include the sale of tangible personal~~  
11                  ~~property by a dealer through coin-operated vending machines.~~

12                  (c)(i)(aa) ~~The term "sale at retail" does not include sale of materials for~~  
13                  ~~further processing into articles of tangible personal property for sale at retail when~~  
14                  ~~all of the criteria in Subsubitem (f) of this Subitem are met.~~

15                   (f)(aaa) ~~The raw materials become a recognizable and identifiable~~  
16                   ~~component of the end product.~~

17                   (bbb) ~~The raw materials are beneficial to the end product.~~

18                   (ccc) ~~The raw materials are material for further processing, and as such, are~~  
19                   ~~purchased for the purpose of inclusion into the end product.~~

20                   (H) ~~For purposes of this Subitem, the term "sale at retail" shall not include~~  
21                   ~~the purchase of raw materials for the production of raw or processed agricultural,~~  
22                   ~~silvicultural, or aquacultural products.~~

23                   (HH)(aaa) ~~If the materials are further processed into a byproduct for sale,~~  
24                   ~~such purchases of materials shall not be deemed to be sales for further processing~~  
25                   ~~and shall be taxable. For purposes of this Subitem, the term "byproduct" shall mean~~  
26                   ~~any incidental product that is sold for a sales price less than the cost of the materials.~~

27                   (bbb) ~~In the event a byproduct is sold at retail in this state for which a sales~~  
28                   ~~and use tax has been paid by the seller on the cost of the materials, which materials~~  
29                   ~~are used partially or fully in the manufacturing of the byproduct, a credit against the~~

1 tax paid by the seller shall be allowed in an amount equal to the sales tax collected  
2 and remitted by the seller on the taxable retail sale of the byproduct.

3 (bb) ~~Solely for purposes of the sales and use tax levied by the state, natural~~  
4 ~~gas when used in the production of iron in the process known as the "direct reduced~~  
5 ~~iron process" is not a catalyst and is recognized by the legislature to be a material for~~  
6 ~~further processing into an article of tangible personal property for sale at retail.~~

7 (ii)(aa) ~~Solely for purposes of the sales and use tax levied by the state, the~~  
8 ~~term "sale at retail" does not include sales of electricity for chlor-alkali~~  
9 ~~manufacturing processes.~~

10 (bb) ~~The term "sale at retail" does not include an isolated or occasional sale~~  
11 ~~of tangible personal property by a person not engaged in such business.~~

12 (d) ~~The term "sale at retail" does not include the sale of any human tissue~~  
13 ~~transplants, which shall be defined to include all human organs, bone, skin, cornea,~~  
14 ~~blood, or blood products transplanted from one individual into another recipient~~  
15 ~~individual.~~

16 (e) ~~The term "sale at retail" does not include the sale of raw agricultural~~  
17 ~~commodities, including but not limited to feed, seed, and fertilizer, to be utilized in~~  
18 ~~preparing, finishing, manufacturing, or producing crops or animals for market by a~~  
19 ~~commercial farmer as defined in R.S. 47:301(30).~~

20 (f) ~~Notwithstanding any other law to the contrary, for purposes of the~~  
21 ~~imposition of the sales and use tax of any political subdivision, the sale of a vehicle~~  
22 ~~subject to the Vehicle Registration License Tax Law (R.S. 47:451 et seq.) shall be~~  
23 ~~deemed to be a "retail sale" or a "sale at retail".~~

24 (i) ~~In the political subdivision of the principal residence of the purchaser if~~  
25 ~~the vehicle is purchased for private use, or~~

26 (ii) ~~In the political subdivision of the principal location of the business if the~~  
27 ~~vehicle is purchased for commercial use, unless the vehicle purchased for~~  
28 ~~commercial use is assigned, garaged, and used outside of such political subdivision,~~



1 ~~in which case the sale shall be deemed a "retail sale" or a "sale at retail" in the~~  
2 ~~political subdivision where the vehicle is assigned, garaged, and used.~~

3 ~~(g) The term "retail sale" does not include a sale of corporeal movable~~  
4 ~~property which is intended for future sale to the United States government or its~~  
5 ~~agencies, when title to such property is transferred to the United States government~~  
6 ~~or its agencies prior to the incorporation of that property into a final product.~~

7 ~~(h) The term "sale at retail" does not include the sale of food items by youth~~  
8 ~~serving organizations chartered by congress.~~

9 ~~(i) The term "sale at retail" does not include the purchase of a new school~~  
10 ~~bus or a used school bus that is less than five years old when the bus is to be used~~  
11 ~~exclusively for public elementary or secondary schools, public elementary or~~  
12 ~~secondary laboratory schools that are operated by a public college or university, or~~  
13 ~~nonpublic elementary or secondary schools approved by the State Board of~~  
14 ~~Elementary and Secondary Education. As used in this Subparagraph, "school bus"~~  
15 ~~includes only a bus that meets or exceeds the safety specifications for school buses~~  
16 ~~established by the state Department of Education, is painted national school bus~~  
17 ~~chrome in the shade designated by the State Board of Elementary and Secondary~~  
18 ~~Education, and is purchased from a dealer licensed under the provisions of R.S.~~  
19 ~~32:791 or 1254. This exclusion shall apply to all sales and use taxes levied by any~~  
20 ~~local political subdivision.~~

21 ~~(j) The term "sale at retail" does not include the sale of tangible personal~~  
22 ~~property to food banks, as defined in R.S. 9:2799.~~

23 ~~(k) The term "sale at retail" shall not include the sale of airplanes or airplane~~  
24 ~~equipment or parts to a commuter airline domiciled in Louisiana.~~

25 ~~(l) Solely for purposes of the state sales and use tax imposed under R.S.~~  
26 ~~47:302, 321, and 331, the term "sale at retail" shall not include the sale of a pollution~~  
27 ~~control device or system. Pollution control device or system shall mean any tangible~~  
28 ~~personal property approved by the Department of Revenue and the Department of~~  
29 ~~Environmental Quality and sold or leased and used or intended for the purpose of~~

1 ~~eliminating, preventing, treating, or reducing the volume or toxicity or potential~~  
2 ~~hazards of industrial pollution of air, water, groundwater, noise, solid waste, or~~  
3 ~~hazardous waste in the state of Louisiana. For the purposes of any sales and use tax~~  
4 ~~levied by a political subdivision, the term "sale at retail" shall include the sale of a~~  
5 ~~pollution control device or system. In order to qualify, the pollution control device~~  
6 ~~or system must demonstrate either: a net decrease in the volume or toxicity or~~  
7 ~~potential hazards of pollution as a result of the installation of the device or system;~~  
8 ~~or that installation is necessary to comply with federal or state environmental laws~~  
9 ~~or regulations.~~

10 ~~(m) For purposes of sales and use taxes imposed or levied by the state or any~~  
11 ~~political subdivision, the term "sale at retail" shall not include the sales of Louisiana-~~  
12 ~~manufactured or Louisiana-assembled passenger aircraft with a maximum capacity~~  
13 ~~of eight persons, if, after all transportation, including transportation by the purchaser,~~  
14 ~~has been completed, the aircraft is ultimately received by the purchaser outside of~~  
15 ~~Louisiana. The place at which the aircraft is ultimately received shall be considered~~  
16 ~~as the place at which the aircraft is stored after all transportation has been completed.~~

17 ~~(n) For purposes of the sales and use taxes imposed by the state under R.S.~~  
18 ~~47:302, 321, and 331, and the sales and use taxes imposed by any political~~  
19 ~~subdivision, the term "sale at retail" shall not include the sales of pelletized paper~~  
20 ~~waste when purchased for use as combustible fuel by an electric utility or in an~~  
21 ~~industrial manufacturing, processing, compounding, reuse, or production process,~~  
22 ~~including the generation of electricity or process steam, at a fixed location in this~~  
23 ~~state. However, such sale shall not be excluded unless the purchaser has signed a~~  
24 ~~certificate stating that the fuel purchased is for the exclusive use designated herein.~~  
25 ~~For purposes of this Subparagraph, "pelletized paper waste" means pellets produced~~  
26 ~~from discarded waste paper that has been diverted or removed from solid waste~~  
27 ~~which is not marketable for recycling and which is wetted, extruded, shredded, or~~  
28 ~~formulated into compact pellets of various sizes for use as a supplemental fuel in a~~  
29 ~~permitted boiler.~~

1           ~~(o) For the purposes of sales and use taxes imposed or levied by the state or~~  
2           ~~any local government subdivision or school board, the term "sale at retail" shall not~~  
3           ~~include the sale or purchase of equipment used in fire fighting by bona fide volunteer~~  
4           ~~and public fire departments.~~

5           ~~(p) For purposes of state and political subdivision sales and use tax, the term~~  
6           ~~"sale at retail" shall not include the sale of items, including but not limited to~~  
7           ~~supplies and equipment, or the sale of services as provided in this Section, which are~~  
8           ~~reasonably necessary for the operation of free hospitals.~~

9           ~~(q) For purposes of state and political subdivision sales and use tax, the term~~  
10          ~~"sale at retail" shall not include:~~

11          ~~(i) The sale of tangible personal property by approved parochial and private~~  
12          ~~elementary and secondary schools which comply with the court order from the Dodd~~  
13          ~~Brumfield decision and Section 501(c)(3) of the Internal Revenue Code, or students,~~  
14          ~~administrators, or teachers, or other employees of the school, if the money from such~~  
15          ~~sales, less reasonable and necessary expenses associated with the sale, is used solely~~  
16          ~~and exclusively to support the school or its program or curricula. This exclusion~~  
17          ~~shall not be construed to allow tax-free sales to students or their families by~~  
18          ~~promoters or regular commercial dealers through the use of schools, school faculty,~~  
19          ~~or school facilities.~~

20          ~~(ii) The sale to approved parochial and private elementary and secondary~~  
21          ~~schools which comply with the court order from the Dodd Brumfield decision and~~  
22          ~~Section 501(c)(3) of the Internal Revenue Code of educational materials or~~  
23          ~~equipment used for classroom instruction limited to books, workbooks, computers,~~  
24          ~~computer software, films, videos, and audio tapes.~~

25          ~~(r) For purposes of state and political subdivision sales and use tax, the term~~  
26          ~~"sale at retail" shall not include the sale of tangible personal property to Boys State~~  
27          ~~of Louisiana, Inc. and Girls State of Louisiana, Inc. which is used by such~~  
28          ~~organizations for their educational and public service programs for youth.~~

1           ~~(s) The term "sale at retail" or "retail sale", for purposes of sales and use~~  
2           ~~taxes imposed by the state or any political subdivision or other taxing entity, shall~~  
3           ~~not include any charge, fee, money, or other consideration received, given, or paid~~  
4           ~~for the performance of funeral directing services. For purposes of this Subparagraph,~~  
5           ~~"funeral directing services" means the operation of a funeral home, or by way of~~  
6           ~~illustration and not limitation, any service whatsoever connected with the~~  
7           ~~management of funerals, or the supervision of hearses or funeral cars, the cleaning~~  
8           ~~or dressing of dead human bodies for burial, and the performance or supervision of~~  
9           ~~any service or act connected with the management of funerals from time of death~~  
10           ~~until the body or bodies are delivered to the cemetery, crematorium, or other agent~~  
11           ~~for the purpose of disposition. However, such services shall not mean or include the~~  
12           ~~sale, lease, rental, or use of any tangible personal property as those terms are defined~~  
13           ~~in this Section.~~

14           ~~(t) For purposes of the sales and use taxes imposed by the state under R.S.~~  
15           ~~47:302, 321, and 331, and the sales and use taxes imposed by any political~~  
16           ~~subdivision, the term "sale at retail" shall not include the transfer of title to or~~  
17           ~~possession of telephone directories by an advertising company that is not affiliated~~  
18           ~~with a provider of telephone services if the telephone directories will be distributed~~  
19           ~~free of charge to the recipients of the telephone directories.~~

20           ~~(u) For purposes of sales and use taxes levied and imposed by local~~  
21           ~~governmental subdivisions, school boards, and other political subdivisions whose~~  
22           ~~boundaries are not coterminous with those of the state, "sale at retail" by a person~~  
23           ~~shall not mean or include the sale of tangible personal property if such sale is made~~  
24           ~~under the provisions of Medicare.~~

25           ~~(v) For purposes of the sales and use taxes imposed by the state under R.S.~~  
26           ~~47:302, 321, and 331, and the sales and use taxes imposed by any political~~  
27           ~~subdivision, in the case of the sale or other disposition by a dealer of any cellular,~~  
28           ~~PCS, or wireless telephone, or any electronic accessories that are physically~~  
29           ~~connected with such telephones and personal communication devices used in~~

1 ~~connection with the sale or use of mobile telecommunications services, the term~~  
2 ~~"retail sale" or "sale at retail" shall mean and include the sale or any other disposition~~  
3 ~~of such cellular, PCS, or wireless telephone, any electronic accessories that are~~  
4 ~~physically connected with such telephones and personal communication devices by~~  
5 ~~the dealer to the purchaser, but shall not mean or include the withdrawal, use,~~  
6 ~~distribution, consumption, storage, donation, or any other disposition of any such~~  
7 ~~cellular, PCS, or wireless telephone, any electronic accessories that are physically~~  
8 ~~connected with such telephones, and personal communication devices by the dealer.~~

9 ~~(w) For purposes of the imposition of sales and use taxes imposed or levied~~  
10 ~~by any political subdivision of the state, in the case of the sale or other disposition~~  
11 ~~by a dealer of any cellular telephone, PCS telephone, wireless telephone, or other~~  
12 ~~wireless personal communication device that is used in connection with the sale or~~  
13 ~~use of mobile telecommunications services, or any electronic accessory that is~~  
14 ~~physically connected with any such telephone or personal communication device, the~~  
15 ~~term "retail sale" or "sale at retail" shall mean and include the sale or any other~~  
16 ~~disposition of any such telephone, other personal communication device, or~~  
17 ~~electronic accessory.~~

18 ~~(x) For purposes of the sales and use tax imposed by the state or any political~~  
19 ~~subdivision whose boundaries are coterminous with those of the state, the terms~~  
20 ~~"retail sale" or "sale at retail" shall not include the following:~~

21 ~~(i) The sale or purchase by a consumer of any fuel or gas, including but not~~  
22 ~~limited to, butane and propane, for residential use by the consumer.~~

23 ~~(ii) Beginning July 1, 2008, the sale or purchase by any person of butane and~~  
24 ~~propane.~~

25 ~~(y)(i) Solely for the purposes of sales and use taxes levied by the state under~~  
26 ~~R.S. 47:302, 321, and 331, the term "sale at retail" shall not include the sale of~~  
27 ~~manufacturing machinery and equipment used or consumed in this state to~~  
28 ~~manufacture, produce, or extract unblended biodiesel.~~

1           (ii) ~~As used in this Subparagraph, the following words and phrases have the~~  
2 ~~meaning ascribed to them:~~

3           (aa) ~~"Manufacturing machinery and equipment" means tangible property~~  
4 ~~used or consumed, or held for use or consumption, as an integral part of a biodiesel~~  
5 ~~manufacturing, production, or extraction facility, process, or item of equipment.~~  
6 ~~Property shall be considered to be an integral part of such biodiesel manufacturing,~~  
7 ~~production, or extraction facility, process, or item of equipment only if such property~~  
8 ~~is used or consumed directly in the manufacturing, production, or extraction process~~  
9 ~~or is part of, physically attached to, or otherwise directly associated with such~~  
10 ~~property. Property, the installation of which is reasonably necessary for the proper~~  
11 ~~installation, operation, maintenance of property which directly results in such~~  
12 ~~manufacturing, production, or extraction shall be considered as directly associated~~  
13 ~~with such property.~~

14           (bb) ~~"Unblended biodiesel" means a fuel comprised of mono-alkyl esters of~~  
15 ~~long chain fatty acids derived from vegetable oils or animal fats, designated B100,~~  
16 ~~and meeting the requirements of the definition provided for in D 6751 of the~~  
17 ~~American Society of Testing and Materials (ATDM D 6751), before such fuel is~~  
18 ~~blended with a petroleum-based diesel fuel.~~

19           (aa)(i) ~~For purposes of sales and use taxes imposed or levied by the state or~~  
20 ~~any political subdivision of the state, the term "sale at retail" shall not include the~~  
21 ~~sale of toys to a non-profit organization exempt from federal taxation pursuant to~~  
22 ~~Section 501(c)(3) of the Internal Revenue Code if the sole purpose of the purchasing~~  
23 ~~organization is to donate toys to minors and the toys are, in fact, donated.~~

24           (ii) ~~The exclusion provided in this Subparagraph shall not apply if the~~  
25 ~~donation is intended to ultimately yield a profit to a promoter of the organization or~~  
26 ~~to any individual contracted to provide services or equipment, or both, to the~~  
27 ~~organization.~~

28           (iii) ~~A certificate of exclusion shall be obtained from the secretary or the tax~~  
29 ~~collector of the political subdivision, under such regulations as he shall prescribe, in~~

1       ~~order for nonprofit organizations to qualify for the exclusion provided for in this~~  
2       ~~Subparagraph.~~

3               ~~(bb) For purposes of sales and use taxes imposed or levied by the state under~~  
4       ~~R.S. 47:302, 321, and 331, the terms "retail sale" and "sale at retail" shall not include~~  
5       ~~sales of natural gas to be held, used, or consumed in providing natural gas storage~~  
6       ~~services or operating natural gas storage facilities.~~

7               ~~(cc) For purposes of the sales and use tax imposed by the state or any~~  
8       ~~political subdivision of the state, the terms "retail sale" or "sale at retail" shall not~~  
9       ~~mean or include the purchase of textbooks and course-related software by a private~~  
10       ~~postsecondary academic degree-granting institution, accredited by a national or~~  
11       ~~regional commission that is recognized by the United States Department of~~  
12       ~~Education and is licensed by the Board of Regents, which institution has its main~~  
13       ~~location within this state and offers only online instruction, when all of the following~~  
14       ~~apply:~~

15               ~~(i) The textbooks and course-related software are physically outside of this~~  
16       ~~state when purchased from a vendor outside of this state and then imported into this~~  
17       ~~state.~~

18               ~~(ii) The first student use of the textbooks and course-related software occurs~~  
19       ~~outside of this state.~~

20               ~~(iii) The textbooks and course-related software are provided to the student~~  
21       ~~free of charge.~~

22               ~~(dd) For purposes of sales and use taxes imposed or levied by the state, the~~  
23       ~~terms "retail sale" or "sale at retail" shall not include the purchase of food items for~~  
24       ~~school lunch or breakfast programs by nonpublic elementary or secondary schools~~  
25       ~~which participate in the National School Lunch and School Breakfast programs or~~  
26       ~~the purchase of food items by nonprofit corporations which serve students in~~  
27       ~~nonpublic elementary or secondary schools and which participate in the National~~  
28       ~~School Lunch and School Breakfast programs.~~

1           ~~(ee)(i) Solely for the purposes of the imposition of the state sales and use tax~~  
2           ~~imposed under R.S. 47:302, 321, and 331, the term "retail sale" and "sale at retail"~~  
3           ~~shall not include the sale of any storm shutter device.~~

4           ~~(ii) As used in this Subparagraph, "storm shutter device" means materials~~  
5           ~~and products manufactured, rated, and marketed specifically for the purpose of~~  
6           ~~preventing window damage from storms.~~

7           ~~(iii) The secretary of the Department of Revenue, in consultation with the~~  
8           ~~Department of Insurance, shall promulgate such rules and regulations in accordance~~  
9           ~~with the Administrative Procedure Act as may be necessary to carry out the~~  
10          ~~provisions of this Subparagraph.~~

11          ~~(ff) For purposes of sales taxes imposed by the state or any political~~  
12          ~~subdivision of the state, the term "retail sale" or "sale at retail" shall not include sales~~  
13          ~~of tangible personal property by the Military Department, state of Louisiana, which~~  
14          ~~occur on an installation or other property owned or operated by the Military~~  
15          ~~Department.~~

16          ~~(gg) For purposes of sales and use tax imposed by the state under R.S.~~  
17          ~~47:302, 321, and 331 or any political subdivision of the state, the term "sale at retail"~~  
18          ~~shall not include the sale of anthropogenic carbon dioxide for use in a qualified~~  
19          ~~tertiary recovery project approved by the assistant secretary of the office of~~  
20          ~~conservation of the Department of Energy and Natural Resources pursuant to R.S.~~  
21          ~~47:633.4.~~

22          ~~(hh) For purposes of sales and use tax imposed by the state under R.S.~~  
23          ~~47:302, 321, and 331, or any other political subdivision, the term "sale at retail" shall~~  
24          ~~not include the sale of tangible personal property at an event providing Louisiana~~  
25          ~~heritage, culture, crafts, art, food, and music which is sponsored by a domestic~~  
26          ~~nonprofit organization that is exempt from tax under Section 501(c)(3) of the~~  
27          ~~Internal Revenue Code. The provisions of this Subparagraph shall apply only to an~~  
28          ~~event which transpires over a minimum of seven but not more than twelve days and~~  
29          ~~has a five-year annual average attendance of at least three hundred thousand over the~~



1 ~~duration of the event. For purposes of determining the five-year annual average~~  
2 ~~attendance, the calculation shall include the total annual attendance for each of the~~  
3 ~~five most recent years. The provisions of this Subparagraph shall apply only to sales~~  
4 ~~by the sponsor of the event.~~

5 ~~(ii) For purposes of sales and use tax imposed by the state or any political~~  
6 ~~subdivision of the state, the term "retail sale" or "sale at retail" shall not include~~  
7 ~~marijuana recommended for therapeutic use by patients clinically diagnosed as~~  
8 ~~suffering from a debilitating medical condition as defined in R.S. 40:1046.~~

9 \* \* \*

10 (13)(a) "Sales price" means the total amount for which tangible personal  
11 property is sold, less the market value of any article traded in including any services,  
12 except services for financing which shall not exceed the legal interest rate and a  
13 service charge not to exceed six percent of the amount financed, and losses, that are  
14 a part of the sale valued in money, whether paid in money or otherwise, and includes  
15 the cost of materials used, labor or service costs, including service costs for  
16 installation, and transportation charges ~~except costs for financing which shall not~~  
17 ~~exceed the legal interest rate and a service charge not to exceed six percent of the~~  
18 ~~amount financed, and losses; provided that cash discounts allowed and taken on sales~~  
19 ~~shall not be included, nor shall the sales price include the amount charged for labor~~  
20 ~~or services rendered in installing, applying, remodeling, or repairing property sold.~~

21 (b) The term "sales price" shall not include any amount designated as a cash  
22 discount or a rebate by the vendor or manufacturer of any new vehicle subject to the  
23 motor vehicle license tax. For purposes of this Paragraph "rebate" means any  
24 amount offered by a vendor or manufacturer as a deduction from the listed retail  
25 price of the vehicle.

26 (c) ~~"Sales price" shall not include the first fifty thousand dollars of the sale~~  
27 ~~price of new farm equipment used in poultry production.~~

28 (d) Notwithstanding any other provision of law to the contrary, for purposes  
29 of state and political subdivision sales and use tax, the "sales price" of refinery gas,

1           except for feedstock, not ultimately consumed as an energy source by the person who  
2           owns the facility in which the refinery gas is created as provided for in Subparagraph  
3           ~~(18)(d)~~ (18)(c) of this Section, but sold to another person, whether at retail or  
4           wholesale, shall be fifty-two cents per thousand cubic feet multiplied by a fraction  
5           the numerator of which shall be the posted price for a barrel of West Texas  
6           Intermediate Crude Oil on December first of the preceding calendar year and the  
7           denominator of which shall be twenty-nine dollars, and provided further that ~~such~~  
8           the sales price shall be the maximum value placed upon refinery gas by the state and  
9           by any political subdivision under any authority or grant of power to levy and collect  
10          sales or use taxes, and ~~such~~ the sale shall be taxable.

11           ~~(e) The term "sales price", solely for purposes of the state sales and use taxes~~  
12          ~~imposed under R.S. 47:302, 321, and 331 and those of its political subdivisions, shall~~  
13          ~~exclude any amount that a manufacturer pays directly to a dealer of the~~  
14          ~~manufacturer's product for the purpose of reducing and that actually results in an~~  
15          ~~equivalent reduction in the retail "sales price" of that product. This exclusion shall~~  
16          ~~not apply to the value of the manufacturer's coupons that dealers accept from~~  
17          ~~purchasers as part payment of the "sales price" and that are redeemable by the~~  
18          ~~dealers through manufacturers or their agents. The value of such coupons is deemed~~  
19          ~~to be part of the "sales price" of the product purchased through the use of the~~  
20          ~~coupons.~~

21           ~~(f) The term "sales price" shall exclude any charge, fee, money, or other~~  
22          ~~consideration received, given, or paid for the performance of funeral directing~~  
23          ~~services as defined in Subparagraph (10)(s) of this Section.~~

24           ~~(g) Solely for purposes of the imposition of state sales and use taxes imposed~~  
25          ~~under R.S. 47:302, 321, and 331 and those of all other taxing authorities in the state,~~  
26          ~~in the case of the retail sale by a dealer of any cellular, PCS, or wireless telephone,~~  
27          ~~any electronic accessories that are physically connected with such telephones and~~  
28          ~~personal communications devices used in connection with the sale or use of mobile~~  
29          ~~telecommunications services, as defined in R.S. 47:301(10)(v), the term "sales price"~~

1 shall mean and include only the amount of money, if any, actually received by the  
2 dealer from the purchaser for each such cellular, PCS, or wireless telephone and any  
3 electronic accessories that are physically connected with such telephones and  
4 personal communication devices, but shall not include (i) any amount received by  
5 the dealer from the purchaser for providing mobile telecommunications services, or  
6 (ii) any commissions, fees, rebates, or other amounts received by the dealer from any  
7 source other than the purchaser as a result of or in connection with the sale of the  
8 cellular, PCS, or wireless telephone, any electronic accessories that are physically  
9 connected with such telephones and personal communication devices.

10 (h) ~~Solely for the purpose of state sales and use taxes imposed by the state~~  
11 ~~under R.S. 47:302, 321, and 331 and those of all other taxing authorities in the state~~  
12 ~~of any cellular, PCS, or wireless telephone used in connection with the sale or use~~  
13 ~~of mobile telecommunications services, as defined in R.S. 47:301(10)(v), after~~  
14 ~~January 1, 2002, the term "sales price" shall mean and include the greater of (i) the~~  
15 ~~amount of money actually received by the dealer from the purchaser for each such~~  
16 ~~telephone, or (ii) twenty-five percent of the cost of such telephone to the dealer, but~~  
17 ~~shall not include any amount received by the dealer from the purchaser for providing~~  
18 ~~mobile telecommunications services or any commissions, fees, rebates, or other~~  
19 ~~amounts received by the dealer from any source other than the purchaser as a result~~  
20 ~~of or in connection with the sale of the telephone.~~

21 (i)(i) ~~For purposes of a publishing business which distributes its news~~  
22 ~~publications at no cost to readers and pays unrelated third parties to print such news~~  
23 ~~publications, the term "sales price" shall mean only the lesser of the following costs:~~

24 (aa) ~~The printing cost paid to unrelated third parties to print such news~~  
25 ~~publications, less any itemized freight charges for shipping the news publications~~  
26 ~~from the printer to the publishing business and any itemized charges for paper and~~  
27 ~~ink.~~

28 (bb) ~~Payments to a dealer or distributor as consideration for distribution of~~  
29 ~~the news publications.~~

1           (ii) ~~The definition of "sales price" provided for in this Subparagraph shall be~~  
2           ~~applicable to taxes levied by all tax authorities in the state.~~

3           (j) ~~For the purpose of the imposition of sales and use tax imposed or levied~~  
4           ~~by any political subdivision of the state, in the case of any retail sale or sale at retail,~~  
5           ~~of any cellular telephone, PCS telephone, or wireless telephone used in connection~~  
6           ~~with the sale or use of mobile telecommunications services, as defined in R.S.~~  
7           ~~47:301(10)(w), or any electronic accessory that is physically connected with any~~  
8           ~~such telephone or personal communication device, the term "sales price" shall mean~~  
9           ~~and include the greater of (i) the amount of money, if any, actually received by the~~  
10           ~~dealer from the purchaser at the time of the retail sale or sale at retail by the dealer~~  
11           ~~to the purchaser for each such telephone, personal communication device, or~~  
12           ~~electronic accessory, or (ii) twenty-five percent of the cost of such telephone to the~~  
13           ~~dealer, but shall not include any amount received by the dealer from the purchaser~~  
14           ~~for providing mobile telecommunications services or any commissions, fees, rebates,~~  
15           ~~activation charges, or other amounts received by the dealer from any source other~~  
16           ~~than the purchaser as a result of or in connection with the sale of the telephone.~~

17           (k)(i) ~~For purposes of the imposition of the sales tax levied by the state under~~  
18           ~~R.S. 47:302, 321, and 331, the sales price of machinery and equipment purchased by~~  
19           ~~a manufacturer for use in a plant facility predominately and directly in the actual~~  
20           ~~manufacturing for agricultural purposes or the actual manufacturing process of an~~  
21           ~~item of tangible personal property, which is for ultimate sale to another and not for~~  
22           ~~internal use, at one or more fixed locations within Louisiana shall be reduced as~~  
23           ~~follows:~~

24           (aa) ~~For the period ending on June 30, 2005, the sales price shall be reduced~~  
25           ~~by five percent.~~

26           (bb) ~~For the period beginning July 1, 2005, and ending on June 30, 2006, the~~  
27           ~~sales price shall be reduced by nineteen percent.~~

28           (cc) ~~For the period beginning July 1, 2006, and ending on June 30, 2007, the~~  
29           ~~sales price shall be reduced by thirty-five percent.~~

1           ~~(dd) For the period beginning July 1, 2007, and ending on June 30, 2008, the~~  
2           ~~sales price shall be reduced by fifty-four percent.~~

3           ~~(ee) For the period beginning July 1, 2008, and ending on June 30, 2009, the~~  
4           ~~sales price shall be reduced by sixty-eight percent.~~

5           ~~(ff) For all periods beginning on or after July 1, 2009, the sales price shall~~  
6           ~~be reduced by one hundred percent.~~

7           ~~(ii) For purposes of this Subparagraph, "machinery and equipment",~~  
8           ~~"manufacturer", "manufacturing", "manufacturing for agricultural purposes", "plant~~  
9           ~~facility", and "used directly" shall have the same meaning as defined in R.S.~~  
10          ~~47:301(3)(i)(ii).~~

11          ~~(iii) No person shall be entitled to purchase, use, lease, or rent machinery or~~  
12          ~~equipment as defined herein without payment of the tax imposed by R.S. 47:302,~~  
13          ~~321, and 331 before receiving a certificate of exclusion from the secretary of the~~  
14          ~~Department of Revenue certifying that he is a manufacturer as defined herein.~~

15          ~~(iv) The secretary of the Department of Revenue is hereby authorized to~~  
16          ~~adopt rules and regulations in order to administer the exclusion provided for in this~~  
17          ~~Subparagraph.~~

18          ~~(1)(i) Solely for purposes of the payment of the state sales and use tax~~  
19          ~~imposed under R.S. 47:302, 321, and 331 and the sales and use tax levied by any~~  
20          ~~political subdivision, the term "sales price" shall not include the price of specialty~~  
21          ~~items sold to members for fund-raising purposes by nonprofit carnival organizations~~  
22          ~~domiciled within Louisiana and participating in a parade sponsored by a carnival~~  
23          ~~organization.~~

24          ~~(ii) The secretary of the Department of Revenue shall promulgate rules and~~  
25          ~~regulations for purposes of this exclusion.~~

26          ~~(iii) No nonprofit carnival organization domiciled within Louisiana and~~  
27          ~~participating in a parade sponsored by a carnival organization shall claim exemption~~  
28          ~~or exclusion from the state sales and use tax or the sales and use tax levied by any~~  
29          ~~political subdivision before having obtained a certificate of authorization from the~~

1           ~~secretary of the Department of Revenue. The secretary shall develop applications~~  
2           ~~for such certificates. The certificates shall be issued without charge to the entities~~  
3           ~~which qualify.~~

4           ~~(m) Solely for purposes of the sales and use tax imposed by the state under~~  
5           ~~R.S. 47:302, 321, and 331, the "sales price" of electric power or energy, or natural~~  
6           ~~gas for the period beginning July 1, 2007, and thereafter, sold for use by paper or~~  
7           ~~wood products manufacturing facilities shall not include any of such price.~~

8           ~~(14) "Sales of services" means and includes the following: the furnishing,~~  
9           ~~receiving, or sale of one or more of the services provided for in this Chapter for a~~  
10          ~~consideration.~~

11          ~~(a) The furnishing of sleeping rooms, cottages or cabins by hotels.~~

12          ~~(b)(i)(aa) The sale of admissions to places of amusement, to athletic~~  
13          ~~entertainment other than that of schools, colleges, and universities, and recreational~~  
14          ~~events, and the furnishing, for dues, fees, or other consideration of the privilege of~~  
15          ~~access to clubs or the privilege of having access to or the use of amusement,~~  
16          ~~entertainment, athletic, or recreational facilities. Notwithstanding any provision of~~  
17          ~~this Subparagraph to the contrary, the term "sales of services" shall include the sale~~  
18          ~~of admissions to any museum that has as its primary purpose the showcasing of~~  
19          ~~Louisiana music and which opened to the public on or after January 1, 2026.~~

20          ~~(bb) The term "sales of services" shall not include membership fees or dues~~  
21          ~~of nonprofit, civic organizations, including by way of illustration and not of~~  
22          ~~limitation the Young Men's Christian Association, the Catholic Youth Organization,~~  
23          ~~and the Young Women's Christian Association.~~

24          ~~(ii) Places of amusement shall not include "museums", which are hereby~~  
25          ~~defined as public or private nonprofit institutions which are organized on a~~  
26          ~~permanent basis for essentially educational or aesthetic purposes and which use~~  
27          ~~professional staff to do all of the following:~~

28          ~~(aa) Own or use tangible objects, whether animate or inanimate.~~

29          ~~(bb) Care for those objects.~~

- 1           ~~(cc) Exhibit them to the public on a regular basis.~~
- 2           ~~(iii) Museums include but are not limited to the following institutions:~~
- 3           ~~(aa) Museums relating to art, history, including historic buildings, natural~~  
4 ~~history, science, and technology.~~
- 5           ~~(bb) Aquariums and zoological parks.~~
- 6           ~~(cc) Botanical gardens and arboretums.~~
- 7           ~~(dd) Nature centers.~~
- 8           ~~(ee) Planetariums.~~
- 9           ~~(iv) For purposes of the sales and use taxes of all tax authorities in the state,~~  
10 ~~the term "places of amusement" as used herein shall not include camp and retreat~~  
11 ~~facilities owned and operated by nonprofit organizations exempt from federal income~~  
12 ~~tax under Section 501(a) of the Internal Revenue Code as an organization described~~  
13 ~~in Section 501(c)(3) of the Internal Revenue Code provided that the net revenue~~  
14 ~~derived from the organization's property is devoted wholly to the nonprofit~~  
15 ~~organization's purposes.~~
- 16           ~~(c) The furnishing of storage or parking privileges by auto hotels and parking~~  
17 ~~lots:~~
- 18           ~~(d) The furnishing of printing or overprinting, lithographic, multilith, blue~~  
19 ~~printing, photostating or other similar services of reproducing written or graphic~~  
20 ~~matter.~~
- 21           ~~(e) The furnishing of laundry, cleaning, pressing and dyeing services,~~  
22 ~~including by way of extension and not of limitation, the cleaning and renovation of~~  
23 ~~clothing, furs, furniture, carpets and rugs, and the furnishing of storage space for~~  
24 ~~clothing, furs, and rugs. The service shall be taxable at the location where the~~  
25 ~~laundered, cleaned, pressed, or dyed article is returned to the customer.~~
- 26           ~~(f) The furnishing of cold storage space, except that space which is furnished~~  
27 ~~pursuant to a bailment arrangement, and the furnishing of the service of preparing~~  
28 ~~tangible personal property for cold storage where such service is incidental to the~~  
29 ~~operation of storage facilities.~~

1           ~~(g)(i)(aa) The furnishing of repairs to tangible personal property, including~~  
2           ~~but not restricted to the repair and servicing of automobiles and other vehicles,~~  
3           ~~electrical and mechanical appliances and equipment, watches, jewelry, refrigerators,~~  
4           ~~radios, shoes, and office appliances and equipment.~~

5           ~~(bb)(I) For purposes of the sales and use tax levied by the state and by tax~~  
6           ~~authorities in East Feliciana Parish, charges for the furnishing of repairs to tangible~~  
7           ~~personal property shall be excluded from sales of services, as defined in this~~  
8           ~~Subparagraph, when the repaired property is (1) delivered to a common carrier or to~~  
9           ~~the United States Postal Service for transportation outside the state, or (2) delivered~~  
10           ~~outside the state by use of the repair dealer's own vehicle or by use of an independent~~  
11           ~~trucker. However, as to aircraft, delivery may be by the best available means. This~~  
12           ~~exclusion shall not apply to sales and use taxes levied by any other parish,~~  
13           ~~municipality or school board. However, any other parish, municipality or school~~  
14           ~~board may apply the exclusion as defined in this Subparagraph to sales or use taxes~~  
15           ~~levied by any such parish, municipality, or school board. Offshore areas shall not~~  
16           ~~be considered another state for the purpose of this Subparagraph.~~

17           ~~(H) For purposes of the sales and use tax levied by the tax authorities in~~  
18           ~~Calcasieu Parish, charges for the furnishing of repairs to aircraft shall be excluded~~  
19           ~~from sales of services, as defined in this Subparagraph, provided that the repairs are~~  
20           ~~performed at an airport with a runway that is at least ten thousand feet long, one~~  
21           ~~hundred sixty feet wide, and fourteen inches thick.~~

22           ~~(ii) For the purposes of this Subparagraph, tangible personal property shall~~  
23           ~~include machinery, appliances, and equipment which have been declared immovable~~  
24           ~~by declaration under the provisions of Article 467 of the Louisiana Civil Code, and~~  
25           ~~things which have been separated from land, buildings, or other constructions~~  
26           ~~permanently attached to the ground or their component parts as defined in Article~~  
27           ~~466 of the Civil Code.~~

28           ~~(iii)(aa) For purposes of the sales and use taxes imposed by the state or any~~  
29           ~~of its political subdivisions, sale of services shall not include the labor, or sale of~~



1 materials, services, and supplies, used for the repairing, renovating, or converting of  
2 any drilling rig, or machinery and equipment which are component parts thereof,  
3 which is used exclusively for the exploration or development of minerals outside the  
4 territorial limits of the state in Outer Continental Shelf waters.

5 (bb) ~~For the purposes of this Subitem, "drilling rig" means any unit or~~  
6 ~~structure, along with its component parts, which is used primarily for drilling,~~  
7 ~~workover, intervention or remediation of wells used for exploration or development~~  
8 ~~of minerals and "component parts" means any machinery or equipment necessary for~~  
9 ~~a drilling rig to perform its exclusive function of exploration or development of~~  
10 ~~minerals.~~

11 (iv) ~~For purposes of the sales and use tax levied by the state and its political~~  
12 ~~subdivisions, "repair to tangible personal property and fabrication" shall not include~~  
13 ~~surface preparation, coating, and painting of a fixed or rotary wing military aircraft~~  
14 ~~or certified transport category aircraft so long as the Federal Aviation Administration~~  
15 ~~registration address of the aircraft is not in this state.~~

16 (h) ~~The term "sale of service" shall not include an action performed pursuant~~  
17 ~~to a contract with the United States Department of the Navy for construction or~~  
18 ~~overhaul of U.S. Naval vessels.~~

19 (i) ~~Solely for purposes of the sales and use tax levied by the state, the~~  
20 ~~furnishing of telecommunications services for compensation, in accordance with the~~  
21 ~~provisions of R.S. 47:301.1. Local political subdivisions are prohibited from levying~~  
22 ~~a sales and use tax on telecommunications services not in effect on July 1, 1990,~~  
23 ~~provided, however, that the provisions of this Subparagraph shall not be construed~~  
24 ~~to prohibit the levy or collection of any franchise, excise, gross receipts, or similar~~  
25 ~~tax or assessment by any political subdivision of the state as defined in Article VI,~~  
26 ~~Section 44(2) of the Constitution of Louisiana.~~

27 (j) ~~Notwithstanding any provision of law to the contrary, for purposes of~~  
28 ~~sales or use taxation by the state or any local political subdivision, the term "sales of~~  
29 ~~services" shall not mean or include any funeral directing services as defined in~~



1 (cc) Numismatic coins sold at a national, statewide, or multi-parish  
2 numismatic trade show.

3 ~~(iii) Proprietary geophysical survey information or geophysical data analysis~~  
4 ~~furnished under a restricted use agreement even though transferred in the form of~~  
5 ~~tangible personal property.~~

6 ~~(e) The term "tangible personal property" shall not include the repair of a~~  
7 ~~vehicle by a licensed motor vehicle dealer which is performed subsequent to the~~  
8 ~~lapse of the applicable warranty on that vehicle and at no charge to the owner of the~~  
9 ~~vehicle. For the purpose of assessing a sales and use tax on this transaction, no~~  
10 ~~valuation shall be assigned to the services performed or the parts used in the repair.~~

11 ~~(d)(i)(c)(i)~~ Notwithstanding any provision of law to the contrary and solely  
12 for purposes of state sales and use tax levied by any taxing authority, any sale of a  
13 prepaid calling service or prepaid wireless calling service, or both, shall be deemed  
14 to be the sale of tangible personal property.

15 (ii) Prepaid calling services and prepaid wireless calling services shall be  
16 subject to the tax imposed by this Chapter if the sale takes place in this state. If the  
17 customer physically purchases a prepaid calling service or prepaid wireless calling  
18 service at the vendor's place of business, the sale is deemed to take place at the  
19 vendor's place of business. If the customer does not physically purchase the service  
20 at the vendor's place of business, the sale of a prepaid calling service or prepaid  
21 wireless calling service is deemed to take place at the first of the following locations  
22 that applies to the sale:

23 (aa) The customer's shipping address, if the sale involves a shipment.

24 (bb) The customer's billing address.

25 (cc) Any other address of the customer that is known by the vendor.

26 (dd) The address of the vendor or, alternatively in the case of a prepaid  
27 wireless calling service, the location associated with the mobile telephone number.

28 ~~(e)(d)~~ The term "tangible personal property" shall not include work products  
29 which are written on paper, stored on magnetic or optical media, or transmitted by

1 electronic device, when such work products are created in the normal course of  
2 business by any person licensed or regulated by the provisions of Title 37 of the  
3 Louisiana Revised Statutes of 1950, unless such work products are duplicated  
4 without modification for sale to multiple purchasers. This exclusion shall not apply  
5 to work products which consist of the creation, modification, updating, or licensing  
6 of computer software.

7 ~~(f) The term "tangible personal property" shall not include pharmaceuticals~~  
8 ~~administered to livestock used for agricultural purposes, except as otherwise~~  
9 ~~provided in this Subparagraph. Only pharmaceuticals not included in the term~~  
10 ~~"tangible personal property" shall be registered with the Louisiana Department of~~  
11 ~~Agriculture and Forestry. Legend drugs administered to livestock used for~~  
12 ~~agricultural purposes are not required to be registered, but such legend drugs that are~~  
13 ~~not registered shall be "tangible personal property".~~

14 ~~(g)(i) Notwithstanding the provisions of R.S. 9:1149.1 et seq., except as~~  
15 ~~otherwise provided in this Subparagraph, the term "tangible personal property" shall~~  
16 ~~not include factory built homes.~~

17 ~~(ii) For purposes of this Subparagraph, "factory built home" means a~~  
18 ~~residential structure which is built in a factory in one or more sections and has a~~  
19 ~~chassis or integrated wheel delivery system, which is either:~~

20 ~~(aa) A structure built to federal construction standards as defined in Section~~  
21 ~~5402 of Title 42 of the United States Code.~~

22 ~~(bb) A residential structure built to the Louisiana State Uniform Construction~~  
23 ~~Code.~~

24 ~~(cc) A manufactured home, modular home, mobile home, or residential~~  
25 ~~mobile home with or without a permanent foundation, which includes plumbing,~~  
26 ~~heating, and electrical systems.~~

27 ~~(iii) "Factory built home" shall not include any self-propelled recreational~~  
28 ~~vehicle or travel trailer.~~

1           ~~(iv) The term "tangible personal property" as applied to sales and use taxes~~  
2           ~~levied by the state or any other taxing authority in the state shall include a new~~  
3           ~~factory built home, for the initial sale from a dealer to a consumer, but only to the~~  
4           ~~extent that forty-six percent of the retail sales price shall be so considered as~~  
5           ~~"tangible personal property". Thereafter, each subsequent resale of a factory built~~  
6           ~~home shall not be considered as "tangible personal property".~~

7           ~~(v) The sales and use taxes due on these transactions shall be paid to the~~  
8           ~~Louisiana Department of Public Safety and Corrections, office of motor vehicles, by~~  
9           ~~the twentieth day of the month following the month of delivery of the factory built~~  
10          ~~home to the consumer, along with any other information requested by the office of~~  
11          ~~motor vehicles.~~

12          ~~(h)(i) Solely for purposes of the imposition of the sales and use tax levied by~~  
13          ~~the state or any political subdivision whose boundaries are coterminous with those~~  
14          ~~of the state, for the period beginning July 1, 2002, and ending on June 30, 2003, the~~  
15          ~~term "tangible personal property" shall not include one-quarter of the cost price of~~  
16          ~~custom computer software.~~

17          ~~(ii) Solely for purposes of the imposition of the sales and use tax levied by~~  
18          ~~the state or any political subdivision whose boundaries are coterminous with those~~  
19          ~~of the state, for the period beginning July 1, 2003, and ending on June 30, 2004, the~~  
20          ~~term "tangible personal property" shall not include one-half of the cost price of~~  
21          ~~custom computer software.~~

22          ~~(iii) Solely for purposes of the imposition of the sales and use tax levied by~~  
23          ~~the state or any political subdivision whose boundaries are coterminous with those~~  
24          ~~of the state, for the period beginning July 1, 2004, and ending on June 30, 2005, the~~  
25          ~~term "tangible personal property" shall not include three-quarters of the cost price~~  
26          ~~of custom computer software.~~

27          ~~(iv) Solely for purposes of the imposition of the sales and use tax levied by~~  
28          ~~the state under R.S. 47:302, 321, and 331 or any political subdivision whose~~  
29          ~~boundaries are coterminous with those of the state, for all taxable periods beginning~~

1       ~~on or after July 1, 2005, the term "tangible personal property" shall not include~~  
2       ~~custom computer software.~~

3               ~~(i) Solely for purposes of the imposition of the state sales and use tax~~  
4       ~~imposed under R.S. 47:302, 321, and 331, the term "tangible personal property" shall~~  
5       ~~not include digital television conversion equipment and digital radio conversion~~  
6       ~~equipment as defined in this Section.~~

7               ~~(i) "Digital television conversion equipment" shall include the following:~~

8               ~~(aa) DTV transmitter and RF system.~~

9               ~~(bb) Transmission line.~~

10              ~~(cc) DTV antenna.~~

11              ~~(dd) Tower.~~

12              ~~(ee) Existing tower structural upgrade.~~

13              ~~(ff) Advanced TV receiver (STL receiver).~~

14              ~~(gg) Decoder (digital to analog converter for NTSC).~~

15              ~~(hh) DTV transmission system test and monitoring.~~

16              ~~(ii) Digital video/audio master control switcher.~~

17              ~~(jj) Analog to digital conversion.~~

18              ~~(kk) High definition up-converters.~~

19              ~~(ll) High definition bypass switcher.~~

20              ~~(mm) Down converters for standard definition.~~

21              ~~(nn) Advanced TV transmitter (STL transmitter).~~

22              ~~(oo) Advanced TV signal encoder.~~

23              ~~(pp) DTV transmission monitoring.~~

24              ~~(qq) High definition digital video switcher and DVE.~~

25              ~~(rr) High definition studio cameras.~~

26              ~~(ss) High definition graphics/graphic generator.~~

27              ~~(tt) High definition video monitoring.~~

28              ~~(uu) Conversion gear.~~

29              ~~(vv) High definition recorder/players, including tape, disk, etc.~~

- 1           ~~(ww) High definition video/audio signal router.~~
- 2           ~~(xx) High definition video/audio media server.~~
- 3           ~~(yy) MPEG or HDTV digital receivers for program content.~~
- 4           ~~(zz) High definition recorder/players, including tape, disk, etc.~~
- 5           ~~(aaa) High definition video/audio media server and workstations.~~
- 6           ~~(bbb) Digital EAS encoder/decoder.~~
- 7           ~~(ccc) High definition camcorder, including tape, disk, etc.~~
- 8           ~~(ddd) Advanced TV transmitters, including microwave.~~
- 9           ~~(ii) "Digital radio conversion equipment" shall include the following:~~
- 10          ~~(aa) IBOC transmitter.~~
- 11          ~~(bb) IBOC main channel and IBOC combiner.~~
- 12          ~~(cc) IBOC compatible antenna.~~
- 13          ~~(dd) Tower.~~
- 14          ~~(ee) IBOC coaxial bypass switcher.~~
- 15          ~~(ff) Digital STL.~~
- 16          ~~(gg) STL heliax transmission line.~~
- 17          ~~(hh) STL antenna.~~
- 18          ~~(ii) Digital console.~~
- 19          ~~(jj) EAS insertion.~~
- 20          ~~(kk) AES EBU conversion equipment.~~
- 21          ~~(ll) IBOC transmission testing and monitoring equipment.~~
- 22          ~~(mm) Digital processor.~~
- 23          ~~(iii) The exclusion from state sales and use tax authorized by this~~
- 24          ~~Subparagraph shall apply only to the first purchase of each enumerated item by an~~
- 25          ~~individual taxpayer who holds a Federal Communications Commission license~~
- 26          ~~issued pursuant to 47 CFR Part 73. Individual taxpayers operating under several~~
- 27          ~~broadcaster licenses shall be allowed one purchase of each enumerated item per~~
- 28          ~~license. Each subsequent purchase of any of the enumerated items by the same~~
- 29          ~~taxpayer or license holder shall be subject to sales and use tax.~~

1           ~~(v) Any eligible taxpayer who has purchased any item enumerated in Item~~  
2           ~~(i) or (ii) of this Subparagraph subsequent to January 1, 1999, but prior to the~~  
3           ~~effective date of this Act, shall be entitled to a credit against the state sales and use~~  
4           ~~tax due in any year for an amount equal to state sales and use tax paid on the~~  
5           ~~purchase of the item.~~

6           ~~(vi) Local taxing authorities are hereby authorized to provide an exemption~~  
7           ~~from any local sales and use tax liability to any taxpayers holding a Federal~~  
8           ~~Communications Commission license issued pursuant to 47 CFR Part 73 which has~~  
9           ~~purchased any of the equipment listed in Item (i) or (ii) of this Subparagraph. Local~~  
10          ~~taxing authorities are further authorized to provide a credit against any tax liability~~  
11          ~~for the amount of local sales tax paid by taxpayers holding Federal Communications~~  
12          ~~Commission licenses issued pursuant to 47 CFR Part 73 on any equipment listed in~~  
13          ~~Item (i) or (ii) of the Subparagraph purchased subsequent to January 1, 1999, but~~  
14          ~~prior to June 25, 2002.~~

15          ~~(vii) No exclusion from state sales and use tax as authorized in this~~  
16          ~~Subsection shall be allowed after the Federal Communications Commission has~~  
17          ~~issued an order mandating license holders, issued pursuant to 47 CFR Part 73, to~~  
18          ~~discontinue broadcasting their analog signal.~~

19          ~~(viii) The Department of Revenue shall adopt rules and regulations necessary~~  
20          ~~for the implementation of this Act no later than August 1, 2002.~~

21          ~~(j) The term "tangible personal property", for purposes of the payment of~~  
22          ~~sales and use taxes levied by all tax authorities in the state, shall not include~~  
23          ~~materials used directly in the collection, separation, treatment, testing, and storage~~  
24          ~~of blood by nonprofit blood banks and nonprofit blood collection centers.~~

25          ~~(k) The term "tangible personal property" for purposes of the sales and use~~  
26          ~~taxes imposed by all tax authorities in this state shall not include apheresis kits and~~  
27          ~~leuko reduction filters used by nonprofit blood banks and nonprofit blood collection~~  
28          ~~centers.~~



1           ~~(f)~~(e) For purposes of the sales and use tax imposed by the state of Louisiana,  
2           by a political subdivision whose boundaries are coterminous with those of the state,  
3           or by all political subdivisions of the state and without regard to the nature of the  
4           ownership of the ground, tangible personal property shall not include other  
5           constructions permanently attached to the ground which shall be treated as  
6           immovable property.

7           ~~(m)(i) Notwithstanding any other provision of law to the contrary, solely for~~  
8           ~~purposes of the sales and use tax levied by the state under R.S. 47:302, 321, and 331,~~  
9           ~~the term "tangible personal property" shall not include machinery and equipment~~  
10          ~~used by a motor vehicle manufacturer with a North American Industry Classification~~  
11          ~~System (NAICS) Code beginning with 3361, or by a glass container manufacturer~~  
12          ~~with a NAICS Code of 327213. This exclusion shall be subject to the definitions and~~  
13          ~~requirements of Item (3)(i)(ii) of this Section.~~

14          ~~(ii) A political subdivision may provide for a sales and use tax exemption for~~  
15          ~~the sales, cost, or lease or rental price of manufacturing machinery and equipment~~  
16          ~~as provided for in this Section, either effective upon adoption or enactment or phased~~  
17          ~~in over a period of time, or effective for a certain period of time or duration, all as~~  
18          ~~set forth in the instrument, resolution, vote, or other affirmative action providing the~~  
19          ~~exemption.~~

20          ~~(iii) Notwithstanding any other provision of this Section, tooling in a~~  
21          ~~compression mold process shall be considered manufacturing machinery and~~  
22          ~~equipment for purposes of this Section.~~

23          ~~(n)(i) For purposes of the imposition of the sales and use tax levied by the~~  
24          ~~state, the term "tangible personal property" shall not include machinery and~~  
25          ~~equipment purchased by the owner of a radio station located within the state that is~~  
26          ~~licensed by the Federal Communications Commission for radio broadcasting, if the~~  
27          ~~owner is either of the following:~~

1           ~~(aa) An individual domiciled in the state who owns a business with~~  
2           ~~substantially all of its assets located in the state and substantially all of its payroll~~  
3           ~~paid in the state.~~

4           ~~(bb) A business entity with substantially all of its assets located in the state~~  
5           ~~and substantially all of its payroll paid in the state; provided that the business entity~~  
6           ~~is not owned or controlled or is otherwise an affiliate of a multi-state business entity~~  
7           ~~and is not owned or controlled by an individual who is not domiciled in the state.~~

8           ~~(ii) "Radio broadcasting" means the sound transmission made via~~  
9           ~~electromagnetic waves for direct sound reception by the general public.~~

10           ~~(o)(i) For purposes of the imposition of the sales and use tax levied by the~~  
11           ~~state and any political subdivision whose boundaries are coterminous with those of~~  
12           ~~the state, the term "tangible personal property" shall not include machinery and~~  
13           ~~equipment as defined in and subject to the requirements of Item (3)(i)(ii) of this~~  
14           ~~Section which is purchased by a utility regulated by the Public Service Commission~~  
15           ~~or the council of the city of New Orleans. For the purposes of this Paragraph, the~~  
16           ~~term "utility" shall mean a person regulated by the Public Service Commission or the~~  
17           ~~council of the city of New Orleans who is assigned a North American Industry~~  
18           ~~Classification System Code 22111, Electric Power Generation, as it existed in 2002.~~  
19           ~~Such utility shall also be considered a "manufacturer" for purposes of Item (3)(i)(ii)~~  
20           ~~of this Section.~~

21           ~~(ii) For purposes of this Subparagraph, a political subdivision whose~~  
22           ~~boundaries are not coterminous with those of the state may provide for a sales and~~  
23           ~~use tax exclusion for machinery and equipment as defined in and subject to the~~  
24           ~~requirements of Item (3)(i)(ii) of this Section which is purchased by a utility~~  
25           ~~regulated by the Public Service Commission or the council of the city of New~~  
26           ~~Orleans.~~

27           ~~(p) Solely for purposes of sales and use taxes imposed by the state under~~  
28           ~~R.S. 47:302, 321, and 331 or any of its political subdivisions, the term "tangible~~  
29           ~~personal property" shall not include newspapers.~~



1        taxes imposed on the use for lease or rental of tangible personal property other than  
2        automobiles which take place on or after July 1, 1991, shall not include the purchase,  
3        the importation, the consumption, the distribution, or the storage of tangible personal  
4        property to be leased or rented in an arm's length transaction as tangible personal  
5        property. For purposes of the imposition of the tax levied by any political  
6        subdivision of the state, for the period beginning July 1, 1999, and ending on June  
7        30, 2000, the term "use" shall not include one-fourth of the cost price of any tangible  
8        personal property which is purchased, imported, consumed, distributed, or stored and  
9        which is to be leased or rented in an arm's length transaction in the form of tangible  
10       personal property. For purposes of the imposition of the tax levied by any political  
11       subdivision of the state, for the period beginning July 1, 2000, and ending on June  
12       30, 2001, the term "use" shall not include one-half of the cost price of any tangible  
13       personal property which is purchased, imported, consumed, distributed, or stored and  
14       which is to be leased or rented in an arm's length transaction in the form of tangible  
15       personal property. For purposes of the imposition of the tax levied by any political  
16       subdivision of the state, for the period beginning July 1, 2001, and ending on June  
17       30, 2002, the term "use" shall not include three-fourths of the cost price of any  
18       tangible personal property which is purchased, imported, consumed, distributed, or  
19       stored and which is to be leased or rented in an arm's length transaction in the form  
20       of tangible personal property. Beginning July 1, 2002, for purposes of the imposition  
21       of the tax levied by any political subdivision of the state, the term "use" shall not  
22       include the purchase, the importation, the consumption, the distribution, or the  
23       storage of any tangible personal property which is to be leased or rented in an arm's  
24       length transaction in the form of tangible personal property.

25        (iv) ~~The term "use", for purposes of sales and use taxes imposed by the state~~  
26        ~~on the use for rental automobiles which take place prior to January 1, 1991, and by~~  
27        ~~political subdivisions on such use prior to July 1, 1996, and imposed on the use for~~  
28        ~~lease or rental of tangible personal property other than automobiles which take place~~  
29        ~~prior to July 1, 1991, and for purposes of local sales and use taxes levied by political~~

1 subdivisions, ~~except for any use for rental automobiles on or after July 1, 1996, shall~~  
2 ~~include the purchase, the importation, the consumption, the distribution, or the~~  
3 ~~storage of tangible personal property to be leased or rented in an arm's length~~  
4 ~~transaction as tangible personal property.~~

5 (b) Notwithstanding any other law to the contrary, for purposes of the  
6 imposition of the sales and use tax of any political subdivision, the use of a vehicle  
7 subject to the Vehicle Registration License Tax Law (R.S. 47:451 et seq.) shall be  
8 deemed to be a "use":

9 (i) In the political subdivision of the principal residence of the purchaser if  
10 the vehicle is purchased for private use, or

11 (ii) In the political subdivision of the principal location of the business if the  
12 vehicle is purchased for commercial use, unless the vehicle purchased for  
13 commercial use is assigned, garaged, and used outside of such political subdivision,  
14 in which case the use shall be deemed a use in the political subdivision where the  
15 vehicle is assigned, garaged, and used.

16 ~~(c) For purposes of state and political subdivision sales and use tax, "use"~~  
17 ~~shall not include the exercise of any right or power by a free hospital over items,~~  
18 ~~including but not limited to supplies and equipment, which are reasonably necessary~~  
19 ~~for the operation of the free hospital.~~

20 ~~(d)(i)(c)(i)~~ Notwithstanding any other provision of law to the contrary, and  
21 except as provided in Item ~~(iii)(ii)~~ of this Subparagraph, for purposes of state and  
22 political subdivision sales and use tax, "use" means and includes the exercise of any  
23 right or power over tangible personal property incident to the ownership thereof;  
24 except that it shall not include ~~the further processing of tangible personal property~~  
25 ~~into articles of tangible personal property for sale.~~

26 (ii) ~~Except as provided in Item (iii) of this Subparagraph for refinery gas,~~  
27 ~~solely for purposes of state sales and use taxes imposed under R.S. 47:302, 321, and~~  
28 ~~331 and political subdivision use tax, "use" shall not include the storage,~~  
29 ~~consumption, or the exercise of any other right of ownership over tangible personal~~

1 ~~property which is created or derived as a residue or byproduct of such processing.~~  
 2 ~~Such residue or byproduct shall include but shall not be limited to catalyst cracker~~  
 3 ~~coke derived from crude oil, wood chips, bark, and liquor derived from the~~  
 4 ~~processing of sawlogs or pulpwood timber, or bagasse derived from sugarcane.~~

5 (iii) Notwithstanding any other provision of law to the contrary, and  
 6 notwithstanding the provisions of this Subparagraph, "use" shall include the exercise  
 7 of any right of ownership over the consumption, the distribution, and the storage for  
 8 use or consumption in this state of refinery gas, except the sale to another person,  
 9 whether at retail or wholesale, only if the refinery gas is ultimately consumed as an  
 10 energy source by the person who owns the facility in which it is created and is not  
 11 sold. Notwithstanding any other law to the contrary, the use of refinery gas shall be  
 12 taxed at the cost price value provided in Subparagraph ~~(3)(f)~~ (3)(c) of this Section.  
 13 If refinery gas, except for feedstock, is sold to another person, whether at retail, or  
 14 wholesale, such sale shall be taxable and the sales price value shall be as provided  
 15 for in Subparagraph ~~(13)(d)~~ (13)(c) of this Section. The provisions of this Item shall  
 16 not apply to feedstocks.

17 ~~(e) For purposes of state and political subdivision sales and use tax, "use"~~  
 18 ~~shall not include the purchase of or the exercise of any right or power over:~~

19 ~~(i) Tangible personal property sold by approved parochial and private~~  
 20 ~~elementary and secondary schools which comply with the court order from the Dodd~~  
 21 ~~Brumfield decision and Section 501(c)(3) of the Internal Revenue Code, or students,~~  
 22 ~~administrators, or teachers, or other employees of the school, if the money from such~~  
 23 ~~sales, less reasonable and necessary expenses associated with the sale, is used solely~~  
 24 ~~and exclusively to support the school or its program or curricula.~~

25 ~~(ii) Educational materials or equipment used for classroom instruction by~~  
 26 ~~approved parochial and private elementary and secondary schools which comply~~  
 27 ~~with the court order from the Dodd Brumfield decision and Section 501(c)(3) of the~~  
 28 ~~Internal Revenue Code, limited to books, workbooks, computers, computer software,~~  
 29 ~~films, videos, and audio tapes.~~

1           ~~(f) For purposes of state and political subdivision sales and use tax, "use"~~  
2           ~~shall not include the purchase of or the exercise of any right or power over tangible~~  
3           ~~personal property used by Boys State of Louisiana, Inc. and Girls State of Louisiana,~~  
4           ~~Inc. for their educational and public service programs for youth.~~

5           ~~(g) Notwithstanding any provision of law to the contrary, for purposes of~~  
6           ~~sales or use taxation by the state or any local political subdivision, the term "use"~~  
7           ~~shall not mean or include any funeral directing services as defined in Subparagraph~~  
8           ~~(10)(s) of this Section.~~

9           ~~(h) Solely for purposes of sales and use taxes levied by the state under R.S.~~  
10           ~~47:302, 321, and 331 or any political subdivision of the state, the term "use" shall not~~  
11           ~~include the exercise of any right of ownership in or the distribution of telephone~~  
12           ~~directories acquired by an advertising company that is not affiliated with a provider~~  
13           ~~of telephone services if the telephone directories will be distributed free of charge~~  
14           ~~to the recipients of the telephone directories.~~

15           ~~(i) Solely for purposes of the imposition of sales and use taxes imposed by~~  
16           ~~the state under R.S. 47:302, 321, and 331 or by any other taxing authorities in the~~  
17           ~~state, in the case of the sale or any other disposition by a dealer of any cellular, PCS,~~  
18           ~~or wireless telephone, any electronic accessories that are physically connected with~~  
19           ~~such telephones and personal communications devices used in connection with the~~  
20           ~~sale or use of mobile telecommunications services, as defined in R.S. 47:301(10)(v),~~  
21           ~~the term "use" shall not include the withdrawal, use, distribution, consumption,~~  
22           ~~storage, donation, or any other disposition of any such cellular, PCS, or wireless~~  
23           ~~telephone, any electronic accessories that are physically connected with such~~  
24           ~~telephones and personal communications devices by the dealer.~~

25           ~~(j) For purposes of the imposition of sales and use taxes imposed or levied~~  
26           ~~by any political subdivision of the state, in the case of the sale or any other~~  
27           ~~disposition by a dealer of any cellular telephone, PCS telephone, wireless telephone,~~  
28           ~~or other wireless personal communication device that is used in connection with the~~  
29           ~~sale or use of mobile telecommunications services, as defined in R.S. 47:301(10)(w),~~

1       ~~or any electronic accessory that is physically connected with any such telephone or~~  
2       ~~personal communications device, the term "use" shall not include the withdrawal,~~  
3       ~~use, distribution, consumption, storage, donation, or any other disposition of any~~  
4       ~~such telephone or electronic accessory by the dealer.~~

5               ~~(k) Solely for purposes of the sales and use tax levied by the state under R.S.~~  
6       ~~47:302, 321, and 331, the term "use" shall not include the purchase, the use, the~~  
7       ~~consumption, the distribution, the storage for use or consumption, or the exercise of~~  
8       ~~any right or power over manufacturing machinery and equipment used or consumed~~  
9       ~~in this state to manufacture, produce or extract unblended biodiesel.~~

10              ~~(m)(i) For the purposes of sales and use taxes imposed or levied by the state~~  
11       ~~or any political subdivision of the state, the term "use" shall not include the purchase~~  
12       ~~of or the exercise of any right or power over toys by a non-profit organization~~  
13       ~~exempt from federal taxation pursuant to Section 501(c)(3) of the Internal Revenue~~  
14       ~~Code if the sole purpose of the purchasing organization is to donate toys to minors~~  
15       ~~and the toys are, in fact, donated.~~

16              ~~(ii) The exclusion provided for in this Subparagraph shall be subject to the~~  
17       ~~same conditions as are provided for in Items (10)(aa)(ii) and (iii) of this Section.~~

18              ~~(n) For purposes of sales and use tax imposed by the state or any political~~  
19       ~~subdivision of the state, the term "use" shall not mean or include the purchase,~~  
20       ~~importation, storage, distribution, or exportation of, or exercise of any right or power~~  
21       ~~over, textbooks and course-related software by a private postsecondary academic~~  
22       ~~degree-granting institution, accredited by a national or regional commission that is~~  
23       ~~recognized by the United States Department of Education and is licensed by the~~  
24       ~~Board of Regents, which institution has its main location within this state and offers~~  
25       ~~only online instruction, when all of the following apply:~~

26              ~~(i) The textbooks and course-related software are physically outside of this~~  
27       ~~state when purchased from a vendor outside of this state and then imported into this~~  
28       ~~state.~~





1           ~~(24)~~ The term "news publication" shall mean any printed periodical that:

2           (a) Appears at regular intervals.

3           (b) Contains reports of a varied character, such as political, social, cultural,  
4 sports, moral, religious, or other subjects of general public interest.

5           (c) Contains not more than seventy-five percent advertising.

6           (d) Is not owned or published as an auxiliary to another nonpublishing  
7 business, organization, or entity.

8           ~~(25)~~(24) "Taxing authority" shall mean and include both the state and a  
9 statewide political subdivision and any political subdivision of the state authorized  
10 under the Constitution or laws of the state of Louisiana to levy and collect a sales and  
11 use tax, unless the context indicates otherwise. For purposes of the Uniform Local  
12 Sales Tax Code provided for in Chapter 2D of this Subtitle, "taxing authority" shall  
13 mean any political subdivision of the state authorized under the Constitution or laws  
14 of the state of Louisiana to levy and collect a sales and use tax, except a statewide  
15 political subdivision.

16           ~~(26)~~(25) "Taxing jurisdiction" shall mean the area within the physical  
17 boundaries of the taxing authority.

18           ~~(27)~~(26) "Tax", "sales and use tax", and "sales tax" shall mean the sales and  
19 use tax imposed by the state pursuant to the provisions of this Chapter and Chapter  
20 2-A and 2-B of this Subtitle and the tax imposed by political subdivisions under the  
21 constitution or laws of this state authorizing the imposition of a sales and use tax.

22           ~~(28)(a)~~ For purposes of the imposition of the lease or rental tax levied by the  
23 state under R.S. 47:302, 321, and 331, the "gross proceeds", "monthly lease or rental  
24 price paid", and "monthly lease or rental price contracted or agreed to be paid" for  
25 machinery and equipment used by a manufacturer in a plant facility predominately  
26 and directly in the actual manufacturing for agricultural purposes or the actual  
27 manufacturing process of an item of tangible personal property, including, but not  
28 limited to rubber tired farm tractors, cane harvesters, cane loaders, cotton pickers,  
29 combines, haybalers, attachments and sprayers, clippers, cultivators, discs, plows,

1           ~~and spreaders, which is for ultimate sale to another and not for internal use, at one~~  
2           ~~or more fixed locations within Louisiana shall be reduced as follows:~~

3                     ~~(i) For the period ending on June 30, 2005, by five percent.~~

4                     ~~(ii) For the period beginning July 1, 2005, and ending on June 30, 2006, by~~  
5           ~~nineteen percent.~~

6                     ~~(iii) For the period beginning July 1, 2006, and ending on June 30, 2007, by~~  
7           ~~thirty-five percent.~~

8                     ~~(iv) For the period beginning July 1, 2007, and ending on June 30, 2008, by~~  
9           ~~fifty-four percent.~~

10                    ~~(v) For the period beginning July 1, 2008, and ending on June 30, 2009, by~~  
11           ~~sixty-eight percent.~~

12                    ~~(vi) For all periods beginning on or after July 1, 2009, the sales price shall~~  
13           ~~be reduced by one hundred percent.~~

14                    ~~(b) For purposes of this Paragraph, "machinery and equipment",~~  
15           ~~"manufacturer", "manufacturing", "manufacturing for agricultural purposes", "plant~~  
16           ~~facility", and "used directly" shall have the same meaning as defined in R.S.~~  
17           ~~47:301(3)(i)(ii).~~

18                    ~~(c) No person shall be entitled to purchase, use, lease, or rent machinery or~~  
19           ~~equipment as defined herein without payment of the tax imposed by R.S. 47:302,~~  
20           ~~321, and 331 before receiving a certificate of exclusion from the secretary of the~~  
21           ~~Department of Revenue certifying that he is a manufacturer as defined herein.~~

22                    ~~(d) The secretary of the Department of Revenue is hereby authorized to~~  
23           ~~adopt rules and regulations in order to administer the exclusion provided for in this~~  
24           ~~Subparagraph.~~

25                    ~~(e) The manufacturer's exemption certificate granted by the Department of~~  
26           ~~Revenue shall serve as a substitute for the sales tax exemption for certain farm~~  
27           ~~equipment.~~

28                    ~~(29)(27)~~ With respect to the furnishing of telecommunications and ancillary  
29           services, as used in this Chapter the following words, terms, and phrases have the

1 meaning ascribed to them in this Paragraph, unless the context clearly indicates a  
2 different meaning:

3 (a) "Air-to-Ground Radiotelephone service" means a radio service, as that  
4 term is defined in 47 CFR 22.99, in which common carriers are authorized to offer  
5 and provide radio telecommunications service for hire to subscribers in aircraft.

6 (b) "Ancillary service" means a service that is associated with or incidental  
7 to the provision of one or more telecommunications services, including but not  
8 limited to conference bridging services, detailed telecommunications billing services,  
9 directory assistance services, vertical services, and voice mail services.

10 (c) "Call-by-call basis" means any method of charging for  
11 telecommunications services where the price is measured by individual calls.

12 (d) "Call center" means one or more locations that utilize  
13 telecommunications services in one or more of the following activities: customer  
14 services, soliciting sales, reactivating dormant accounts, conducting surveys or  
15 research, fundraising, collection of receivables, receiving reservations, receiving  
16 orders, or taking orders.

17 (e) "Communications channel" means a physical or virtual path of  
18 communications over which signals are transmitted between or among customer  
19 channel termination points.

20 (f) "Conference bridging service" means a service that links two or more  
21 participants of an audio or video conference call and may include the provision of  
22 a telephone number. "Conference bridging service" does not include any  
23 telecommunications services used to reach the conference bridge.

24 (g) "Customer" means the person or entity that contracts with the seller of  
25 telecommunications services. If the end user of the telecommunications service is  
26 not the contracting party, the end user of the telecommunications service is the  
27 customer of the telecommunications service, but only for the purpose of sourcing  
28 sales of telecommunications services under R.S. 47:301.1(A). "Customer" does not  
29 include a reseller of telecommunications service or for mobile telecommunications

1 service of a serving carrier under an agreement to serve the customer outside the  
2 home service provider's licensed service area.

3 (h) "Customer channel termination point" means, in the context of a private  
4 communications service, the location where the customer either inputs or receives  
5 communications.

6 (i) "Detailed telecommunications billing service" means a service of  
7 separately stating information pertaining to individual calls on a customer's billing  
8 statement.

9 (j) "Directory assistance" means a service of providing telephone number or  
10 address information, or both.

11 (k) "End user" means the person who utilizes the telecommunications  
12 service. In the case of an entity, "end user" means the individual who utilizes the  
13 service on behalf of the entity.

14 (l) "Home service provider" has the same meaning given to such term in  
15 Section 124(5) of the Mobile Telecommunications Sourcing Act, P.L. 106-252, 4  
16 U.S.C. 124(5).

17 (m) "International telecommunications service" means a telecommunications  
18 service that originates or terminates in the United States and terminates or originates  
19 outside the United States, respectively. The United States includes each of the fifty  
20 United States, the District of Columbia, and each United States territory, or  
21 possession.

22 (n) "Interstate telecommunications service" means a telecommunications  
23 service that originates in one U.S. state, territory, or possession, and terminates in a  
24 different U.S. state, territory, or possession.

25 (o) "Intrastate telecommunications service" means a telecommunications  
26 service that originates in one U.S. state, territory or possession, and terminates in the  
27 same U.S. state, territory, or possession.

1 (p) "Mobile telecommunications service" has the same meaning given to  
2 such term in Section 124(7) of the Mobile Telecommunications Sourcing Act, P.L.  
3 106-252, 4 U.S.C. 124(7).

4 (q) "Mobile wireless service" means a telecommunications service,  
5 regardless of the technology used, whereby the origination or termination points, or  
6 both, of the transmission, conveyance or routing are not fixed, including but not  
7 limited to telecommunications services that are provided by a commercial mobile  
8 radio service provider.

9 (r) "Place of primary use" means the street address representative of where  
10 the customer's use of the telecommunications service primarily occurs, which must  
11 be the residential street address or the primary business street address of the  
12 customer. In the case of mobile telecommunications services, the place of primary  
13 use must be within the licensed service area of the home service provider.

14 (s) "Postpaid calling service" means a telecommunications service obtained  
15 by making a payment on a call-by-call basis either through the use of a credit card  
16 or payment mechanism such as a bank card, travel card, credit card, or debit card, or  
17 by charge made to a telephone number which is not associated with the origination  
18 or termination of the telecommunications service. A postpaid calling service  
19 includes a telecommunications service, except a prepaid wireless calling service, that  
20 would be a prepaid calling service, except that the right provided is not exclusively  
21 to access telecommunications services.

22 (t) "Prepaid calling service" means the right to access exclusively  
23 telecommunications services, which must be paid for in advance and which enables  
24 the origination of calls using an access number or authorization code, whether  
25 manually or electronically dialed, and that is sold in predetermined units or dollars  
26 of which the number declines with use in a known amount.

27 (u) "Prepaid wireless calling service" means a telecommunications service  
28 that provides the right to utilize mobile wireless service as well as non-  
29 telecommunications services, including the download of digital products delivered

1 electronically, content, and ancillary services, which must be paid for in advance and  
2 which is sold in predetermined units or dollars of which the number declines with  
3 use in a known amount.

4 (v) "Private communication service" means a telecommunications service  
5 that entitles the customer to exclusive or priority use of a communications channel  
6 or group of channels between or among termination points, regardless of the manner  
7 in which such channel or channels are connected, and includes switching capacity,  
8 extension lines, stations, and any other associated services that are provided in  
9 connection with the use of such channel or channels.

10 (w) "Service address" means:

11 (i) The location of the telecommunications equipment to which a customer's  
12 call is charged and from which the call originates or terminates, regardless of where  
13 the call is billed or paid.

14 (ii) If the location in Item (i) of this Subparagraph is not known, "service  
15 address" means the origination point of the signal of the telecommunications service  
16 first identified by either the seller's telecommunications system or, in information  
17 received by the seller from its service provider, where the system used to transport  
18 such signals is not that of the seller.

19 (iii) If the location in both Items (i) and (ii) of this Subparagraph are not  
20 known, "service address" means the location of the customer's place of primary use.

21 (x) "Telecommunications service" means the electronic transmission,  
22 conveyance, or routing of voice, data, audio, video, or any other information or  
23 signals to a point, or between or among points. "Telecommunications service"  
24 includes such transmission, conveyance, or routing in which computer processing  
25 applications are used to act on the form, code, or protocol of the content for purposes  
26 of transmission, conveyance, or routing without regard to whether such service is  
27 referred to as voice over Internet protocol service or is classified by the Federal  
28 Communications Commission as an enhanced or value-added service.  
29 "Telecommunications service" does not include any of the following:

1 (i) Data processing or information services which allow data to be generated,  
2 acquired, stored, processed, or retrieved and delivered by an electronic transmission  
3 to a purchaser where such purchaser's primary purpose for the underlying transaction  
4 is the processed data or information.

5 (ii) Installation or maintenance of wiring or equipment on a customer's  
6 premises.

7 (iii) Tangible personal property.

8 (iv) Advertising, including but not limited to directory advertising.

9 (v) Billing and collection services provided to third parties.

10 (vi) Internet access service.

11 (vii) Radio and television audio and video programming services, regardless  
12 of the medium, including the furnishing of transmission, conveyance, and routing of  
13 such services by the programming service provider. Radio and television audio and  
14 video programming services shall include but not be limited to cable service as  
15 defined in 47 U.S.C. 522(6) and audio and video programming services delivered by  
16 commercial mobile radio service providers, as defined in 47 CFR 20.3.

17 (viii) Ancillary services.

18 (ix) Digital products delivered electronically, including but not limited to  
19 software, music, video, reading materials, or ring tones.

20 (x) Prepaid calling service and prepaid wireless calling service.

21 (y) "Vertical service" means a service that is offered in connection with one  
22 or more telecommunications services which offers advanced calling features that  
23 allow customers to identify callers and to manage multiple calls and call connections.

24 (z) "Voice mail service" means a service that enables the customer to store,  
25 send, or receive recorded messages services. The term "voice mail service" does not  
26 include any telecommunications or vertical services that the customer may be  
27 required to have in order to utilize the voice mail service.

28 ~~(30)(a)~~(28)(a) The term "commercial farmer" means either of the following:



1 (i) A person regularly and occupationally engaged in the commercial  
2 production of food, agricultural commodities, or agricultural products for sale.

3 (ii) A lessor landowner who leases an immovable for agricultural use to a  
4 person described in Item (i) of this Subparagraph and maintains a joint venture  
5 contractual relationship with the person.

6 (b) The secretary of the Department of Revenue, in consultation with the  
7 Department of Agriculture and Forestry, shall promulgate rules in accordance with  
8 the Administrative Procedure Act as are necessary for the administration of  
9 exemptions available to commercial farmers and the registration of commercial  
10 farmers.

11 (c) No state sales and use tax exemption available to a commercial farmer  
12 shall be allowed or claimed for or related to an "activity not engaged in for profit"  
13 as that term is defined by 26 U.S.C 183, as amended.

14 ~~(31)~~(29) "Small refinery" means a refinery for which the average aggregate  
15 daily crude oil throughput for a calendar year, as determined by dividing the  
16 aggregate throughput for the calendar year by the number of days in the calendar  
17 year, does not exceed seventy-five thousand barrels.

18 §301.1. Telecommunications and ancillary services

19 A. The sales and use tax levied by ~~this Chapter~~ any taxing authority shall  
20 apply to the sales price of telecommunications services in accordance with the  
21 following sourcing rules:

22 \* \* \*

23 B.

24 \* \* \*

25 (2) The sales price of telecommunications services shall not include charges  
26 for any of the following:

27 \* \* \*



1 and records that are kept in the regular course of business that reasonably identifies  
2 the amount charged or paid for ~~such~~ the nontaxable mobile telecommunications  
3 service.

4 ~~D.(1) Notwithstanding any provision of law to the contrary, with respect to~~  
5 ~~sales of interstate telecommunications services to any person for use in the operation~~  
6 ~~of one or more call centers, the tax imposed by this Chapter shall not exceed twenty-~~  
7 ~~five thousand dollars per calendar year.~~

8 ~~(2) The limitation set forth in this Subsection shall apply only to holders of~~  
9 ~~a direct payment number issued by the department pursuant to R.S. 47:303.1. In~~  
10 ~~order to obtain such direct payment number, the applicant must establish that he~~  
11 ~~satisfies the criteria set forth in this Subsection. The provisions of R.S. 47:303.1(B)~~  
12 ~~shall not apply to any application for a direct payment number under this Subsection.~~

13 ~~(3) The department shall not issue any refunds of taxes paid prior to~~  
14 ~~receiving a direct payment number.~~

15 ~~(4) All entities wholly owned by the same person or entity shall be~~  
16 ~~considered a single person.~~

17 E.D. To prevent actual multistate taxation of an interstate  
18 telecommunications service subject to the tax imposed by this Chapter and Chapters  
19 2-A and 2-B of this Subtitle, any taxpayer, upon proof that ~~such~~ the taxpayer has  
20 paid a tax in another state on ~~such~~ the service, shall be allowed a credit against the  
21 tax imposed by this Chapter and Chapters 2-A and 2-B of this Subtitle to the extent  
22 of the amount of ~~such~~ the tax paid in ~~such~~ the other state.

23 F.E. Notwithstanding any provision of law to the contrary, after allocation  
24 of monies to the Bond Security and Redemption Fund as required by Article VII,  
25 Section 9(B) of the Constitution of Louisiana, from the avails of the sales tax on  
26 telecommunication services there shall be an annual dedication of one million dollars  
27 to be deposited into the Telecommunications for the Deaf Fund for use as provided  
28 in R.S. 47:1061(B).

1        §301.3. Services

2                The sales and use tax levied by any taxing authority shall apply to the  
3        following services:

4                (1) The furnishing of sleeping rooms, cottages, or cabins by hotels.

5                (2) The sale of admissions to places of amusement, to athletic entertainment  
6        and recreational events, and the furnishing, for dues, fees, or other consideration of  
7        the privilege of access to clubs or the privilege of having access to or the use of  
8        amusement, entertainment, athletic, or recreational facilities.

9                (3) The furnishing of storage or parking privileges by auto hotels and  
10       parking lots.

11               (4) The furnishing of printing or overprinting, lithographic, multilith, blue  
12       printing, photostating or other similar services of reproducing written or graphic  
13       matter.

14               (5) The furnishing of laundry, cleaning, pressing, and dyeing services,  
15       including but not limited to the cleaning and renovation of clothing, furs, furniture,  
16       carpets and rugs, and the furnishing of storage space for clothing, furs, and rugs. The  
17       service shall be taxable at the location where the laundered, cleaned, pressed, or dyed  
18       article is returned to the customer.

19               (6) The furnishing of cold storage space, except space which is furnished  
20       pursuant to a bailment arrangement, and the furnishing of the service of preparing  
21       tangible personal property for cold storage where the service is incidental to the  
22       operation of storage facilities.

23               (7)(a) The furnishing of repairs to tangible personal property, including but  
24       not limited to the repair and servicing of automobiles and other vehicles, electrical  
25       and mechanical appliances and equipment, watches, jewelry, refrigerators, radios,  
26       shoes, and office appliances and equipment.

27               (b) For purposes of this Paragraph, tangible personal property shall include  
28       machinery, appliances, and equipment which have been declared immovable by  
29       declaration under the provisions of Article 467 of the Louisiana Civil Code, and

1 things which have been separated from land, buildings, or other constructions  
2 permanently attached to the ground or their component parts as defined in Article  
3 466 of the Civil Code.

4 (8) The furnishing of telecommunications services for compensation, in  
5 accordance with the provisions of R.S. 47:301.1.

6 §301.4. Sales transaction sourcing rules

7 A. Applicability. The provisions of this Section shall apply regardless of the  
8 characterization of a transaction as a sale of tangible personal property, a digital  
9 product, or a service. These provisions do not affect the obligation of a purchaser  
10 to remit use tax.

11 B.(1) Definitions. For purposes of this Section, the following terms have the  
12 meanings ascribed to them unless the context indicates otherwise:

13 (a) "Receive" or "receipt" means taking possession of tangible personal  
14 property, making first use of services, or taking possession or making first use of  
15 digital products by the purchaser or purchaser's designee.

16 (b) "Use of digital products" means the location of the first act within this  
17 state by which the taxpayer, as a consumer, views, accesses, downloads, possesses,  
18 stores, opens, manipulates, or otherwise uses or enjoys a digital product.

19 (c) "Use of a service" means the location of the first act within the state by  
20 which the taxpayer, as a consumer, uses, enjoys, or otherwise receives the benefit of  
21 the service.

22 (2) General Sourcing Rules. Except as provided in Subsection (C) of this  
23 Section, for purposes of collecting or remitting sales or use taxes to the appropriate  
24 taxing jurisdictions, otherwise known as sourcing, on sales of tangible personal  
25 property, digital products, and services, the following rules shall apply:

26 (a) If the sale of tangible personal property, digital products, or services is  
27 received by the purchaser, or the purchaser's designee, at a business location of the  
28 seller, the sale is sourced to that business location.

1           (b) If the sale of tangible personal property, digital products, or services is  
2           not received by the purchaser at a business location of the seller, the sale is sourced  
3           to the location where receipt by the purchaser or the purchaser's designee occurs,  
4           including the location indicated by instructions for delivery to the purchaser or  
5           designee, if that location is known to the seller.

6           (c) If Subparagraphs (a) and (b) of this Paragraph do not apply, the sale is  
7           sourced to the location indicated by an address for the purchaser that is available  
8           from the business records of the seller that are maintained in the ordinary course of  
9           the seller's business, when use of this address does not constitute bad faith.

10           (d) If Subparagraphs (a), (b), or (c) of this Paragraph do not apply, the sale  
11           is sourced to the location indicated by an address for the purchaser obtained during  
12           the sale, including, if no other address is available, the address of a purchaser's  
13           payment instrument, when use of this address does not constitute bad faith.

14           (e) If Subparagraphs (a), (b), (c), or (d) of this Paragraph do not apply, or if  
15           the seller is without sufficient information to apply the rules set forth in  
16           Subparagraphs (a), (b), (c) or (d) of this Paragraph, the sale is sourced to the location:

17           (i) Indicated by the address from which the tangible personal property was  
18           shipped.

19           (ii) From which the digital product was first available for transmission by the  
20           seller.

21           (iii) From which the service was provided.

22           (3) Sourcing for lease or rental of tangible personal property. The lease or  
23           rental of tangible personal property, excluding motor vehicles, is sourced as follows:

24           (a) For a lease or rental that requires recurring periodic payments, payments  
25           are sourced to the primary location of the property leased or rented for each period  
26           covered by the payment. The primary location of the property is as indicated by an  
27           address for the property provided by the lessee that is available to the lessor from its  
28           records maintained in the ordinary course of business, when use of this address does  
29           not constitute bad faith. The primary location of the property is not altered by

1 intermittent use at different locations, such as use of business property that  
2 accompanies employees on business trips and service calls.

3 (b) For a lease or rental that does not require periodic payments, the payment  
4 is sourced the same as a retail sale in accordance with Paragraph (2) of this  
5 Subsection.

6 (c) The provisions of this Paragraph do not affect the imposition or  
7 computation of sales or use tax on leases or rentals based on a lump-sum or  
8 accelerated basis, or on the acquisition of property for lease.

9 C. Exceptions to the general sourcing rules. The following sales are sourced  
10 as follows:

11 (1) Vehicles. Sales and leases of vehicles subject to the Vehicle Registration  
12 License Tax Law pursuant to the provisions of R.S. 47:451 et seq. shall be sourced  
13 as provided for in R.S. 47:303(B)(3)(b)(ii)(bb).

14 (2) Telecommunications services. Sales of telecommunications services  
15 shall be sourced as provided in R.S. 47:301.1.

16 §301.5. Bundled Transactions

17 A. Bundled transactions. Except as otherwise provided for in this Section  
18 or federal law, sales tax shall be collected on the sales price of a bundled transaction  
19 if any product included in the bundled transaction would be taxable if sold  
20 separately.

21 B. Definitions. For purposes of this Section, the following terms shall have  
22 the following meanings:

23 (1) "Products" mean and include tangible personal property, services,  
24 intangibles, and digital products but shall not include immovable property.

25 (2)(a) "Bundled transaction" shall mean the retail sale of two or more  
26 products where the products are otherwise distinct and identifiable and the products  
27 are sold for one non-itemized price. In order to show whether a retail sale consisted  
28 of one or more distinct and identifiable products and whether the products were sold  
29 for one non-itemized price, a seller shall maintain copies of invoices, service

1 agreements, contracts, catalogs, price lists, rate cards, and other sales-related  
2 documents given to, or made available to, the purchaser.

3 (b) "Bundled transaction" shall not include either of the following:

4 (i) The sale of any products in which the sales price varies or is negotiable  
5 based on the selection by the purchaser of the products included in the transaction.

6 (ii) Any of the exceptions provided for in Subsection C of this Section.

7 (3) "Distinct and identifiable products" do not include any of the following:

8 (a) Packaging such as containers, boxes, sacks, bags and bottles, or other  
9 materials such as wrapping, labels, tags and instruction guides that accompany the  
10 retail sale of the products and are incidental or immaterial to the retail sale thereof.  
11 Examples of packaging that are incidental or immaterial include, but are not limited  
12 to grocery sacks, shoeboxes, dry cleaning garment bags, and express delivery  
13 envelopes and boxes.

14 (b) A product provided free of charge with the required purchase of another  
15 product. A product is provided free of charge if the sales price of the product  
16 purchased does not vary depending on the inclusion of the product provided free of  
17 charge.

18 (c) Items included in the definition of sales price pursuant to R.S.  
19 47:301(13).

20 (4) "One non-itemized price" does not include a price that is separately  
21 identified by product on binding sales or other supporting sales-related  
22 documentation made available to the customer in paper or electronic form including,  
23 but not limited to an invoice, bill of sale, receipt, contract, service agreement, lease  
24 agreement, periodic notice of rates and services, rate card or price list.

25 C. Exceptions. A transaction that otherwise meets the definition of bundled  
26 transaction is not considered a bundled transaction if it meets any of the following:

27 (1)(a) True object exception. The true object exception applies to either of  
28 the following transactions:



1           (i) The retail sale of tangible personal property or a digital product and a  
2           service where the true object of the transaction is the service and the tangible  
3           personal property or digital product is essential to the use of the service, and is  
4           provided exclusively in connection with the service. If the transaction is not a  
5           bundled transaction as a result of this exception, then the true object of the  
6           transaction will be the retail sale of the service and should be taxed accordingly.

7           (ii) The retail sale of multiple services where one service is essential to the  
8           use or receipt of a second service and the first service is provided exclusively in  
9           connection with the second service, and the true object of the transaction is the  
10          second nontaxable service. If the transaction is not a bundled transaction as a result  
11          of this exception, then the true object of the transaction will be the retail sale of the  
12          second service and should be taxed accordingly.

13          (b) For purposes of this Paragraph, factors that should be considered to  
14          determine the true object of a transaction include the seller's line of business; the  
15          purchaser's object of the transaction; whether the tangible personal property or  
16          service that is essential to the second service is available for sale separately without  
17          the second service; and how the tangible personal property or service is essential to  
18          the second service.

19          (c) The true object exception only applies to transactions that include a  
20          service and shall not apply to transactions that only include tangible personal  
21          property or digital products.

22          (d) When the true object of the transaction is a nontaxable service, the  
23          service provider shall be considered the consumer of any taxable products provided  
24          to the customer as part of the transaction.

25          (2)(a) De minimis exception. The de minimis exception applies to a  
26          transaction that includes taxable products and nontaxable products and the sales price  
27          of the taxable products is de minimis. Sellers shall use the full term of a service  
28          contract to determine if the taxable products are de minimis.

1           **(b) As used in this Paragraph, de minimis means the sales price of the**  
2           **taxable products is ten percent or less of the total sales price of the bundled products.**

3           **(3) Food, drugs and medical items exception. The food, drugs, and medical**  
4           **items exception applies to the retail sale of exempt tangible personal property and**  
5           **taxable tangible personal property where the transaction includes food and food**  
6           **ingredients, drugs, durable medical equipment, mobility enhancing equipment,**  
7           **over-the-counter drugs, prosthetic devices or medical supplies and the sales price of**  
8           **the taxable tangible personal property is fifty percent or less of the total sales price**  
9           **of the bundled products.**

10           **D.(1) Notwithstanding Subsections B and C of this Section, if a bundled**  
11           **transaction includes the sale of a digital code that provides a purchaser with the right**  
12           **to obtain more than one digital product, and which may also include the right to**  
13           **obtain other products or services, and all of the products and services, digital or**  
14           **otherwise, to be obtained through the use of the code do not have the same sales and**  
15           **use tax treatment, both of the following shall apply:**

16           **(a) The transaction shall be deemed to be the sale of the products and**  
17           **services to be obtained through the use of the code.**

18           **(b) The sales and use tax applies to the entire selling price of the code,**  
19           **except as provided in Paragraph (2) of this Subsection.**

20           **(2) If the seller can identify by reasonable and verifiable standards the**  
21           **portion of the selling price attributable to the products and services that are not**  
22           **subject to state sales and use tax from its books and records that are kept in the**  
23           **regular course of business for other purposes including, but not limited to nontax**  
24           **purposes, sales and use tax does not apply to that portion of the selling price of the**  
25           **code attributable to the products and services that are not subject to sales and use tax.**

26           **E. The secretary of the Department of Revenue may promulgate rules in**  
27           **accordance with the Administrative Procedure Act as are necessary to implement the**  
28           **provisions of this Section.**

29           §302. Imposition of tax

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D.(1) Notwithstanding any other provision of law to the contrary, ~~no sales or use tax of any taxing authority shall be levied on any advertising service rendered by an advertising business, including but not limited to advertising agencies, design firms, and print and broadcast media, or any member, agent, or employee thereof, to any client whether or not such service also involves a transfer to the client of tangible personal property. However, a transfer of mass-produced advertising items by an advertising business which manufactures the items itself to a client for the client's use, which transfer involves the furnishing of minimal services other than manufacturing services by the advertising business shall be a taxable sale or use of tangible personal property; provided that in no event shall tax be levied on charges for creative services which are separately invoiced~~ the state and local use taxes levied on motor vehicles brought into this state by a new resident shall be equal to ninety dollars provided the vehicle was previously registered in the name of the new resident in any other state or was previously leased to the new resident in another state.

(2) The use tax levied in this Subsection shall be in lieu of any other state and local use taxes levied on motor vehicles brought into this state by a new resident. The credits provided for in R.S. 47:303(A)(3) and 337.86 shall not apply.

(3) The taxes collected on motor vehicles of new residents in accordance with this Subsection shall be paid to the state and local tax authorities in equal portions.

\* \* \*

§303. Collection

\* \* \*

B. Collection of tax on vehicles. The tax imposed by R.S. 47:302(A) and (D) on the sale or use of any motor vehicle, automobile, motorcycle, truck, truck-tractor, trailer, semi-trailer, motor bus, house trailer, or any other vehicle

1 subject to the vehicle registration license tax shall be collected as provided in this  
2 Subsection.

3 (1) The tax levied by R.S. 47:302(A) and (D) on any such vehicle shall be  
4 paid to the vehicle commissioner as the agent of the collector of revenue at the time  
5 of application for a certificate of title or vehicle registration license and such tax  
6 shall be administered and collected by the vehicle commissioner in compliance with  
7 rules and regulations issued by the collector of revenue and in compliance with the  
8 law as construed by the collector of revenue. No certificate of title or vehicle  
9 registration license shall be issued until this tax has been paid. The collector of  
10 revenue shall be the only proper party to defend or to institute any legal action  
11 involving the tax imposed by R.S. 47:302(A) and (D) on the sale or use of any motor  
12 vehicle, automobile, motorcycle, truck, truck-tractor, trailer, semi-trailer, motor bus,  
13 house trailer or any other vehicle subject to the vehicle registration license tax. (R.S.  
14 47:451 et seq.).

15 \* \* \*

16 (b) The tax levied by R.S. 47:302(A)(2) and (D) on the use of any such  
17 vehicle in this state shall be due at the time first registration in this state is required  
18 by the Vehicle Registration License Tax Law (R.S. 47:451 et seq.) subject to the  
19 following:

20 \* \* \*

21 (3)

22 \* \* \*

23 (b)

24 \* \* \*

25 (ii)(aa) The tax imposed by the political subdivisions on the sale or use of  
26 vehicles subject to the Vehicle Registration License Tax Law (R.S. 47:451 et seq.)  
27 shall be collected by the vehicle commissioner and distributed to the political  
28 subdivisions as provided for in ~~R.S. 47:301(10)(f) and (18)(b)~~ Subitem (bb) of this  
29 Item. The vehicle commissioner shall withhold from any ~~such~~ taxes collected for the

1 political subdivisions one percent of the proceeds of the tax ~~so~~ collected, which shall  
2 be used by the commissioner to pay the cost of collecting and remitting the tax to the  
3 political subdivisions.

4 (bb) Notwithstanding any other law to the contrary, for purposes of the  
5 imposition of the sales and use tax of any political subdivision, the sale of a vehicle  
6 subject to the Vehicle Registration License Tax Law pursuant to R.S. 47:451 et seq.  
7 shall be deemed to be a "retail sale" or a "sale at retail" in either of the following  
8 circumstances:

9 (I) In the political subdivision of the principal residence of the purchaser if  
10 the vehicle is purchased for private use.

11 (II) In the political subdivision of the principal location of the business if the  
12 vehicle is purchased for commercial use, unless the vehicle purchased for  
13 commercial use is assigned, garaged, and used outside of the political subdivision,  
14 in which case the sale shall be deemed a "retail sale" or a "sale at retail" in the  
15 political subdivision where the vehicle is assigned, garaged, and used.

16 \* \* \*

17 (4) ~~The provision contained in R.S. 47:301(10) in the second unnumbered~~  
18 ~~paragraph which excludes exemption for isolated or occasional sales from the~~  
19 ~~definition of a sale at retail is not to~~ provided for in R.S. 47:305(A) shall not apply  
20 to the sale of vehicles which are the subject of this subsection Subsection. Isolated  
21 or occasional sales of vehicles ~~are hereby defined to be sales at retail and as such are~~  
22 shall be subject to the tax.

23 \* \* \*

24 D. Collection of tax on motorboats and vessels. (1) ~~Except as provided for~~  
25 ~~in R.S. 47:305(D)(1)(i), the~~ The secretary of the Louisiana Department of Wildlife  
26 and Fisheries shall not register or issue a certificate of registration on any new boat  
27 or vessel purchased in this state until satisfactory proof has been presented to him  
28 that all sales taxes provided by this ~~Part~~ Chapter, and all municipal, school board and  
29 parish sales taxes, have been paid, nor shall he register or issue a certificate of

1 registration on any boat or vessel brought into this state until satisfactory proof has  
2 been presented to him that all use taxes required by this ~~Part~~ Chapter, and all  
3 municipal, school board and parish use taxes, have been paid.

4 \* \* \*

5 E. Collection of tax on off-road vehicles. (1) The vehicle commissioner  
6 shall not issue a title or a certificate of registration on any off-road vehicle purchased  
7 in this state or brought into this state from another state until satisfactory proof has  
8 been presented to him that all sales taxes required by law have been paid. ~~However,~~  
9 ~~as provided for in R.S. 47:305.56, an out-of-state purchaser of an off-road vehicle~~  
10 ~~shall be exempt from the payment of state sales and use taxes.~~ The purchaser of an  
11 off-road vehicle from a seller who is not registered with the Department of Public  
12 Safety and Corrections shall pay the sales tax at the time the vehicle is titled the  
13 same as is required for the registration and licensing of other vehicles ~~under~~ pursuant  
14 to the provisions of Subsection B of this Section.

15 (2) After payment of the taxes due, the commissioner shall issue a decal, in  
16 a form prescribed, ~~said~~ the decal to be affixed to the vehicle, as directed, by the  
17 commissioner, which shall be conclusive proof of registration and payment of the  
18 required taxes. All 1987 and later model off-road vehicles sold as new and  
19 subsequently sold as used shall be required to display this decal, ~~commencing~~  
20 ~~September 1, 1986.~~ The decal shall be a two-year renewal type and the fees for  
21 issuance of new, renewal, transfer, lost, or illegible decals shall be the same amount  
22 as those fees charged for the registration stickers of other motor vehicles. Failure to  
23 have this decal affixed to the off-road vehicle within thirty days of purchase will  
24 result in a fine, not to exceed fifty dollars, or the impounding of the vehicle, or both,  
25 and the payment of all taxes due, if any. All peace officers, including the  
26 Department of Wildlife and Fisheries, may require proof of registration and shall  
27 have concurrent jurisdiction to enforce the provisions of this Section.

28 F. Collection of tax on membership in health and physical fitness clubs. The  
29 sales tax due ~~under~~ pursuant to the provisions of this Chapter on contracts for

1 membership in a health and physical fitness club shall be assessed and shall be due  
 2 and payable on a monthly basis computed on the amount paid each month less any  
 3 actual or imputed interest or collection fees or unpaid reserve amounts not received  
 4 by the health and fitness club, ~~provided that no sales or use tax of the state or any of~~  
 5 ~~its political subdivisions not collected by such clubs shall be due or payable on~~  
 6 ~~amounts collected on such contracts prior to the effective date of the Act originally~~  
 7 ~~enacting this Subsection.~~

\* \* \*

9 §303.1. Direct Payment Numbers

10 \* \* \*

11 B.

12 \* \* \*

13 (5) A DP Number shall be issued to a taxpayer who has entered into an  
 14 agreement with the state pursuant to the provisions of R.S. 47:305.73 and who  
 15 obtains the required approvals and meets all of the qualifications provided in  
 16 ~~Paragraph (1) of this Section except Subparagraphs (1)(a) and (c) of this Subsection.~~  
 17 The taxpayer may possess the DP Number for the entire term of the agreement that  
 18 the taxpayer enters into pursuant to R.S. 47:305.73.

19 \* \* \*

20 §304. Treatment of tax by dealer

21 A. The tax levied in this Chapter shall be collected by the dealer from the  
 22 purchaser or consumer, except as provided for the collection of tax on motor vehicles  
 23 in R.S. 47:303 and the collection of tax on property leased or rented for use offshore  
 24 in R.S. 47:301(4)(d)(ii). The dealer shall collect the sales tax on off-road vehicles  
 25 and remit them directly to the Department of Public Safety and Corrections upon  
 26 application for certificate of title and registration as required for the registration and  
 27 licensing of other vehicles ~~under~~ pursuant to the provisions of Subsection B of this  
 28 Section. The dealer shall collect the sales taxes on off-road vehicles from  
 29 out-of-state residents who purchase off-road vehicles in this state and remit the sales

1 taxes due directly to the Department of Revenue, ~~unless the requirements of the sales~~  
2 ~~and use tax exemption provided for in R.S. 47:305.56 are met.~~

3 \* \* \*

4 §305. Exclusions and exemptions from the tax

5 A.~~(1)~~ ~~The gross proceeds derived from the sale in this state of livestock,~~  
6 ~~poultry, and other farm products direct from the farm are exempted from the tax~~  
7 ~~levied by taxing authorities, provided that such sales are made directly by the~~  
8 ~~producers. When sales of livestock, poultry, and other farm products are made to~~  
9 ~~consumers by any person other than the producer, they are not exempted from the~~  
10 ~~tax imposed by taxing authorities. Isolated or occasional sales of tangible personal~~  
11 ~~property or services by a person not engaged in such business shall be exempt from~~  
12 ~~the sales and use tax levied by all taxing authorities.~~

13 ~~(2) The gross proceeds derived from the sale in this state of livestock at~~  
14 ~~public sales sponsored by breeders' or registry associations or livestock auction~~  
15 ~~markets are exempted from the sales and use tax levied by the state only. When~~  
16 ~~public sales of livestock are made to consumers by any person other than through a~~  
17 ~~public sale sponsored by a breeders' or registry association or a livestock auction~~  
18 ~~market, they are not exempted from the sales and use tax imposed by the state. This~~  
19 ~~Section shall be construed as exempting race horses entered in races and claimed at~~  
20 ~~any racing meet held in Louisiana, whether the horse claimed was owned by the~~  
21 ~~original breeder or not.~~

22 ~~(3) Every agricultural commodity sold by any person, other than a producer,~~  
23 ~~to any other person who purchases not for direct consumption but for the purpose of~~  
24 ~~acquiring raw product for use or for sale in the process of preparing, finishing, or~~  
25 ~~manufacturing such agricultural commodity for the ultimate retail consumer trade,~~  
26 ~~shall be exempted from any and all provisions of the sales and use tax imposed by~~  
27 ~~a taxing authority, including payment of the tax applicable to the sale, storage, use,~~  
28 ~~transfer, or any other utilization of or handling thereof, except when such agricultural~~  
29 ~~commodity is actually sold as a marketable or finished product to the ultimate~~



1        ~~consumer, and in no case shall more than one tax be exacted. For the purposes of~~  
2        ~~this Section, "agricultural commodity" means horticultural, viticultural, poultry, farm~~  
3        ~~and range products, and livestock and livestock products.~~

4                ~~(4)(a) The purchase of feed and feed additives for the purpose of sustaining~~  
5        ~~animals which are held primarily for commercial, business, or agricultural use shall~~  
6        ~~be exempted from the taxes levied by taxing authorities.~~

7                ~~(b) For purposes of this Subsection:~~

8                    ~~(i) "Commercial use" means the purchasing, producing, or maintaining of~~  
9        ~~animals, including breeding stock, for resale;~~

10                ~~(ii) "Business use" means the keeping and maintaining of animals which are~~  
11        ~~used in performing services in conjunction with a business enterprise, such as sentry~~  
12        ~~dogs and rental horses;~~

13                ~~(iii) "Agricultural use" means the maintaining of work animals and beasts~~  
14        ~~of burden which are utilized in the activity of producing crops or animals for market,~~  
15        ~~in the production of food for human consumption, in the production of animal hides~~  
16        ~~or other animal products for market, or in the maintaining of breeding stock for the~~  
17        ~~propagation of such agricultural use animals.~~

18                ~~(c) This exemption shall not apply to the purchase of feed or feed additives~~  
19        ~~for animals kept primarily for personal, sporting, or other purposes, including but not~~  
20        ~~limited to purchases for pets of any kind or hunting dogs.~~

21                ~~(5)(a) Solely for purposes of the sales and use tax levied by the state, such~~  
22        ~~tax shall not apply to the sale or use of materials, supplies, equipment, fuel, and~~  
23        ~~related items other than vessels used in the production or harvesting of crawfish. The~~  
24        ~~person who purchases the exempt items shall claim the exemption by executing a~~  
25        ~~certificate at the time of purchase. The Department of Revenue shall provide the~~  
26        ~~certificates to retail merchants. Any merchant who in good faith, and after~~  
27        ~~examination of the applicability of the certificate to that purchase with due care,~~  
28        ~~neglects or fails to collect the tax herein provided, due to the presentation by the~~  
29        ~~purchaser of a tax exemption certificate issued by the Department of Revenue,~~

1 including those issued pursuant to R.S. 47:305.10, shall not be liable for the payment  
2 of the tax.

3 (b) ~~Solely for purposes of the sales and use tax levied by the state, such tax~~  
4 ~~shall not apply to the sale or use of bait and feed used in the production or harvesting~~  
5 ~~of crawfish. The person who purchases the exempt items shall claim the exemption~~  
6 ~~by executing a certificate at the time of purchase. The Department of Revenue shall~~  
7 ~~provide the certificates to retail merchants. Any merchant who in good faith, and~~  
8 ~~after examination of the applicability of the certificate to that purchase with due care,~~  
9 ~~neglects or fails to collect the tax herein provided, due to the presentation by the~~  
10 ~~purchaser of a tax exemption certificate issued by the Department of Revenue,~~  
11 ~~including those issued pursuant to R.S. 47:305.10, shall not be liable for the payment~~  
12 ~~of the tax.~~

13 (6) ~~Solely for purposes of the sales and use tax levied by the state, such tax~~  
14 ~~shall not apply to the sale or use of materials, supplies, equipment, fuel, bait, and~~  
15 ~~related items other than vessels used in the production or harvesting of catfish. The~~  
16 ~~person who purchases the exempt items shall claim the exemption by executing a~~  
17 ~~certificate at the time of purchase. The Department of Revenue shall provide the~~  
18 ~~certificates to retail merchants. Any merchant who in good faith, and after~~  
19 ~~examination of the applicability of the certificate to that purchase with due care,~~  
20 ~~neglects or fails to collect the tax herein provided, due to the presentation by the~~  
21 ~~purchaser of a tax exemption certificate issued by the Department of Revenue, shall~~  
22 ~~not be liable for the payment of the tax.~~

23 B. ~~For purposes of the sales and use tax of all taxing authorities, the "use~~  
24 ~~tax," as defined herein, shall not apply to livestock and livestock products, to poultry~~  
25 ~~and poultry products, to farm, range and agricultural products when produced by the~~  
26 ~~farmer and used by him and members of his family.~~

27 C. ~~For purposes of the sales and use tax of all taxing authorities, where a part~~  
28 ~~of the cost price of a motor vehicle is represented by a motor vehicle returned to the~~

1 dealer's inventory, the use tax is payable on the total cost price less the wholesale  
2 value of the article returned.

3 C. (1) The sales and use tax imposed by the state or by a political subdivision  
4 whose boundaries are coterminous with those of the state shall not apply to sales or  
5 purchases of any of the following:

6 (a) Food sold for preparation and consumption in the home including, but not  
7 limited to bakery products.

8 (b) Dairy products.

9 (c) Soft drinks.

10 (d) Fresh fruits and vegetables.

11 (e) Package foods requiring further preparation by the purchaser.

12 (2) Food sales by restaurants, drive-ins, snack bars, candy and nut counters,  
13 private clubs, and sales made by an establishment not otherwise exempted by law  
14 shall not be exempt from the taxes imposed by taxing authorities.

15 (3)(a) Except as provided for in Subparagraph (b) of this Paragraph, the sales  
16 and use tax imposed by R.S. 47:321, 321.1, and 331, or by a political subdivision  
17 shall not apply to the sale or use, for non-residential purposes, of steam, water,  
18 electric power or energy, natural gas, any materials or energy sources used to fuel the  
19 generation of electric power for resale or used by an industrial manufacturing plant  
20 for self-consumption or cogeneration, or energy sources used for boiler fuel except  
21 refinery gas.

22 (b) The exemption from the sales and use tax imposed by R.S. 47:321, 321.1,  
23 and 331 provided for in Subparagraph (a) of this Paragraph shall not apply to sales  
24 and use, for non-residential purposes, of mineral water or carbonated water or any  
25 water put in bottles, jugs, or containers.

26 D.(1) The sale at retail, the use, the consumption, the distribution, and the  
27 storage to be used or consumed in the taxing jurisdiction of the following tangible  
28 personal property is hereby specifically exempted from the tax imposed by taxing  
29 authorities, except as otherwise provided in this Paragraph:

1 (a) Gasoline.

2 (b) ~~Steam~~: Natural gas, electricity, and water sold directly to the consumer  
3 for residential use as provided for in Article VII, Section 2.2 of the Constitution of  
4 Louisiana. The exemption provided for in this Subparagraph shall not apply to sales  
5 and use of mineral water or carbonated water or any water put in bottles, jugs, or  
6 containers sold directly to the consumer for residential use.

7 (c) ~~Water (not including mineral water or carbonated water or any water put~~  
8 ~~in bottles, jugs, or containers, all of which are not exempted)~~: Tangible personal  
9 property and donation of food items to food banks, as defined in R.S. 9:2799(B).

10 (d) ~~Electric power or energy and any materials or energy sources used to fuel~~  
11 ~~the generation of electric power for resale or used by an industrial manufacturing~~  
12 ~~plant for self-consumption or cogeneration~~: Food items sold by youth organizations  
13 chartered by Congress.

14 (e) ~~Repealed by Acts 2007, No. 480, §2.~~

15 (f) ~~Fertilizer and containers used for farm products when sold directly to the~~  
16 ~~farmer.~~

17 (g) ~~Natural gas.~~

18 (h) ~~All energy sources when used for boiler fuel except refinery gas.~~

19 (i)(i)(e)(i) New trucks, new automobiles, new motorcycles, and new aircraft;  
20 ~~and new boats, vessels, or other water craft~~ withdrawn from stock or kept in a  
21 dealer's inventory by factory authorized new truck, new automobile, new motorcycle,  
22 and new aircraft dealers, and factory-authorized dealers of new boats, vessels, or  
23 ~~other water craft~~, for use as demonstrators.

24 (ii) ~~Used trucks and used automobiles withdrawn from stock or kept in a~~  
25 ~~dealer's inventory by new or used motor vehicle dealers for use as demonstrators.~~

26 (j) ~~Solely for purposes of the state sales and use tax, drugs prescribed by a~~  
27 ~~physician or dentist.~~

28 (k)(i) ~~Solely for purposes of the state sales and use tax, orthotic, including~~  
29 ~~prescription eyeglasses and contact lenses, and prosthetic devices and wheelchairs~~

1           ~~and wheelchair lifts prescribed by physicians, optometrists or licensed chiropractors~~  
2           ~~for personal consumption or use.~~

3                     ~~(ii) Solely for purposes of the sales and use tax of political subdivisions, the~~  
4           ~~sale to, or the purchase by, an individual or by a medical service provider such as a~~  
5           ~~physician, clinic, surgical center, or other healthcare facility of a prosthetic device~~  
6           ~~which is sold or purchased with the intention of being personally used or consumed~~  
7           ~~by individuals pursuant to a prescription by a physician when the individual is~~  
8           ~~covered by the state of Louisiana Medicaid insurance program or a Medicaid~~  
9           ~~insurance program administered by a third party on behalf of the state of Louisiana.~~

10                    ~~(f) Solely for purposes of the state sales and use tax, the sale or purchase of~~  
11           ~~any ostomy, ileostomy or colostomy device or any other appliance including~~  
12           ~~catheters or any related item which is required as the result of any surgical procedure~~  
13           ~~by which an artificial opening is created in the human body for the elimination of~~  
14           ~~natural waste.~~

15                    ~~(m) Solely for purposes of the state sales and use tax, patient aids prescribed~~  
16           ~~by a physician or a licensed chiropractor for home use.~~

17                    ~~(n) Solely for purposes of the state sales and use tax, food sold for~~  
18           ~~preparation and consumption in the home including by way of extension and not of~~  
19           ~~limitation bakery products.~~

20                    ~~(o) Solely for purposes of the state sales and use tax, dairy products.~~

21                    ~~(p) Solely for purposes of the state sales and use tax, soft drinks.~~

22                    ~~(q) Solely for purposes of the state sales and use tax, fresh fruits and~~  
23           ~~vegetables.~~

24                    ~~(r) Solely for purposes of the state sales and use tax, package foods requiring~~  
25           ~~further preparation by the purchaser.~~

26                    ~~(s) Solely for purposes of the state sales and use tax, any and all medical~~  
27           ~~devices used exclusively by the patient in the medical treatment of various diseases~~  
28           ~~or administered exclusively to the patient by a physician, nurse, or other health care~~

1 professional or health care facility in the medical treatment of various diseases under  
2 the supervision of and prescribed by a licensed physician.

3 (t) ~~Orthotic devices, prosthetic devices, prostheses and restorative materials~~  
4 ~~utilized by or prescribed by dentists in connection with health care treatment or for~~  
5 ~~personal consumption or use and any and all dental devices used exclusively by the~~  
6 ~~patient or administered exclusively to the patient by a dentist or dental hygienist in~~  
7 ~~connection with dental or health care treatment. Notwithstanding any other~~  
8 ~~provision of law to the contrary, the exemptions from the state sales and use tax~~  
9 ~~provided in this Subparagraph shall be applicable to any sales and use tax levied by~~  
10 ~~any local governmental subdivision or school board.~~

11 (u) ~~Solely for purposes of the state sales and use tax, adaptive driving~~  
12 ~~equipment and motor vehicle modifications prescribed for personal use by a~~  
13 ~~physician, a licensed chiropractor, or a driver rehabilitation specialist licensed by the~~  
14 ~~state.~~

15 \* \* \*

16 E. The sale of the following services shall be exempt from the sales and use  
17 tax imposed by any taxing authority:

18 (1) Rooms furnished by a temporary lodging facility which is operated by  
19 a nonprofit organization described in Section 501(c)(3) of the Internal Revenue  
20 Code, provided that the facility is devoted exclusively to the temporary housing, for  
21 periods no longer than thirty days' duration, of homeless transient persons whom the  
22 organization determines to be financially incapable of engaging lodging at a facility  
23 defined by R.S. 47:301(6)(a), and further provided that the lodging charge to these  
24 persons is no greater than twenty dollars per day.

25 (2) Membership fees or dues of nonprofit, civic organizations including, but  
26 not limited to the Young Men's Christian Association, the Catholic Youth  
27 Organization, and the Young Women's Christian Association.

1           (3) Surface preparation, coating, and painting of a fixed or rotary wing  
2           military aircraft or certified transport category aircraft as long as the Federal  
3           Aviation Administration registration address of the aircraft is not in this state.

4           E.F. It is not the intention of any taxing authority to levy a tax upon articles  
5           of tangible personal property imported into this state, or produced or manufactured  
6           in this state, for export; nor is it the intention of any taxing authority to levy a tax on  
7           bona fide interstate commerce; however, nothing herein shall prevent the collection  
8           of the taxes due on sales of tangible personal property into this state which are  
9           promoted through the use of catalogs and other means of sales promotion and for  
10          which federal legislation or federal jurisprudence enables the enforcement of the  
11          sales tax of a taxing authority upon the conduct of such business. It is, however, the  
12          intention of the taxing authorities to levy a tax on the sale at retail, the use, the  
13          consumption, the distribution, and the storage to be used or consumed in this state,  
14          of tangible personal property after it has come to rest in this state and has become a  
15          part of the mass of property in this state. ~~At such time as~~ When federal legislation  
16          or federal jurisprudence as to sales in interstate commerce promoted through the use  
17          of catalogs and other means of sales promotions enables the enforcement of this  
18          Chapter or any other law or local ordinance imposing a sales tax against vendors that  
19          have no other nexus with the taxing jurisdiction, the following provisions shall apply  
20          to ~~such~~ the sales on which sales and use tax would not otherwise be collected.

21          ~~F. The sales, use and lease taxes imposed by taxing authorities shall not~~  
22          ~~apply to the amounts paid by radio and television broadcasters for the right to exhibit~~  
23          ~~or broadcast copyrighted material and the use of film, video or audio tapes, records~~  
24          ~~or any other means supplied by licensors thereof in connection with such exhibition~~  
25          ~~or broadcast and the sales and use tax shall not apply to licensors or distributors~~  
26          ~~thereof.~~

27          ~~G. The sales, use, and lease taxes imposed by taxing authorities shall not~~  
28          ~~apply to the purchase or rental by private individuals of machines, parts therefor, and~~  
29          ~~materials and supplies which a physician has prescribed for home renal dialysis.~~

1           H: "Demonstrators" as used in Subsection D of this Section for purposes of  
2 the sales and use tax levied by all taxing authorities shall mean ~~all of the following:~~

3           ~~(1) New~~ new and used trucks and automobiles for which dealer inventory  
4 plates may be obtained pursuant to R.S. 47:473, and new aircraft titled in the dealer's  
5 name for use as demonstrators which are kept primarily on the dealer's premises  
6 during normal business hours and which are available for demonstration purposes.  
7 However, the occasional use of a demonstrator by authorized personnel of the dealer  
8 shall not disqualify such demonstrator from the exemption herein designated.

9           ~~(2) New boats, vessels, or other water craft, hereafter, "boats," which comply~~  
10 ~~with all the following:~~

11           ~~(a) They are registered in a boat, vessel, or water craft dealer's name with the~~  
12 ~~appropriate agency.~~

13           ~~(b) They are reported by the dealer to the department as demonstrators and~~  
14 ~~are clearly identified as demonstrators in the manner required by the department.~~

15           ~~(c) They are used by those designated by such dealer for any activity which~~  
16 ~~results in the advertisement, promotion of sales, or demonstration of the qualities of~~  
17 ~~the boat for the purpose of increasing sales of such boats; provided that such use~~  
18 ~~does not occur on more than six consecutive days and does not occur on more than~~  
19 ~~twelve days in any calendar month. The dealer shall keep such logs or other records~~  
20 ~~of such use as shall be required by the department.~~

21           ~~(d) They are ultimately sold at retail.~~

22           H. The sales and use taxes imposed by the state of Louisiana or any of its  
23 political subdivisions shall not apply to the labor, or sale of materials, services, and  
24 supplies, used for repairing, renovating or converting of any drilling rig, or  
25 machinery and equipment which are component parts thereof, which is used  
26 exclusively for the exploration or development of minerals outside the territorial  
27 limits of the state in Outer Continental Shelf waters. For the purposes of this  
28 Subsection, "drilling rig" means any unit or structure, along with its component  
29 parts, which is used primarily for drilling, workover, intervention or remediation of



1 wells used for exploration or development of minerals. For purposes of this  
2 Subsection, "component parts" means any machinery or equipment necessary for a  
3 drilling rig to perform its exclusive function of exploration or development of  
4 minerals.

5 I. Notwithstanding any other provision of law to the contrary, no sales or use  
6 tax of any taxing authority shall be levied on any advertising service rendered by an  
7 advertising business, including but not limited to advertising agencies, design firms,  
8 and print and broadcast media, or any member, agent, or employee thereof, to any  
9 client whether or not the service also involves a transfer to the client of tangible  
10 personal property. However, a transfer of mass-produced advertising items by an  
11 advertising business which manufactures the items itself to a client for the client's  
12 use, which transfer involves the furnishing of minimal services other than  
13 manufacturing services by the advertising business shall be a taxable sale or use of  
14 tangible personal property; provided that in no event shall tax be levied on charges  
15 for creative services which are separately invoiced.

16 J.(1) Notwithstanding the provisions of R.S. 9:1149.1 et seq., factory built  
17 homes shall be exempt from sales and use tax imposed by any taxing authority  
18 except as provided in this Subsection.

19 (2) Forty-six percent of the retail sales price for the initial sale of a new  
20 factory built home from a dealer to a consumer shall be subject to sales and use tax.

21 (3) Each subsequent resale of a factory built home shall be exempt from  
22 sales and use tax.

23 (4) For purposes of this Subsection, "factory built home" means a residential  
24 structure which is built in a factory in one or more sections and has a chassis or  
25 integrated wheel delivery system, which is either:

26 (a) A structure built to federal construction standards as defined in Section  
27 5402 of Title 42 of the United States Code.

28 (b) A residential structure built to the Louisiana State Uniform Construction  
29 Code.

1           (c) A manufactured home, modular home, mobile home, or residential  
2 mobile home with or without a permanent foundation, which includes plumbing,  
3 heating, and electrical systems.

4           (5) "Factory built home" shall not include any self-propelled recreational  
5 vehicle or travel trailer.

6           (6) The sales and use taxes due pursuant to this Subsection shall be paid to  
7 the Department of Public Safety and Corrections, office of motor vehicles, by the  
8 twentieth day of the month following the month of delivery of the factory built home  
9 to the consumer, along with any other information requested by the office of motor  
10 vehicles.

11   \*     \*     \*

12   §305.2. ~~Exclusions and exemptions; insulin, prescription and nonprescription~~  
13 Exemption; medical

14           A. Drugs prescribed by a physician, dentist, or other person authorized to  
15 prescribe drugs in this state shall be exempt from the sales and use tax imposed by  
16 any taxing authority, including but not limited to the following:

17           (1) The sale of prescription drugs under Title XXI of the Social Security Act  
18 and the pharmaceutical vendor program for Title XIX of the Social Security Act as  
19 administered by the Louisiana Department of Health.

20           (2) Orthotic, including prescription eyeglasses and contact lenses, and  
21 prosthetic devices and wheelchairs and wheelchair lifts prescribed by physicians,  
22 optometrists, or licensed chiropractors for personal consumption or use.

23           (3) Orthotic devices, prosthetic devices, prostheses and restorative materials  
24 utilized by or prescribed by dentists in connection with health care treatment or for  
25 personal consumption or use and any and all dental devices used exclusively by the  
26 patient or administered exclusively to the patient by a dentist or dental hygienist in  
27 connection with dental or health care treatment.

28           (4) The sale to, or the purchase by, an individual or by a medical service  
29 provider such as a physician, clinic, surgical center, or other healthcare facility of a

1        prosthetic device which is sold or purchased with the intention of being personally  
2        used or consumed by individuals pursuant to a prescription by a physician when the  
3        individual is covered by the state of Louisiana Medicaid insurance program or a  
4        Medicaid insurance program administered by a third party on behalf of the state of  
5        Louisiana.

6            (5) The sale or purchase of any ostomy, ileostomy, or colostomy device or  
7        any other appliance including catheters or any related item which is required as the  
8        result of any surgical procedure by which an artificial opening is created in the  
9        human body for the elimination of natural waste.

10           (6) Any and all medical devices used exclusively by the patient in the  
11        medical treatment of various diseases or administered exclusively to the patient by  
12        a physician, nurse, or other health care professional or health care facility in the  
13        medical treatment of various diseases under the supervision of and prescribed by a  
14        licensed physician.

15           (7) The procurement and administration of cancer and related chemotherapy  
16        prescription drugs used exclusively by the patient in his medical treatment when  
17        administered exclusively to the patient by a physician, nurse, or other health care  
18        professional in a physician's office where patients are not regularly kept as bed  
19        patients for twenty-four hours or more.

20           (8) The sales, use, and lease taxes imposed by taxing authorities shall not  
21        apply to the purchase or rental by private individuals of machines, parts therefor, and  
22        materials and supplies which a physician has prescribed for home renal dialysis.

23           B. The following items shall be exempt from the sales and use tax imposed  
24        by any taxing authority:

25           (1) Pharmaceutical samples approved by the United States Food and Drug  
26        Administration which are manufactured in the state or imported into the state for  
27        distribution without charge to physicians, dentists, clinics, or hospitals.

28           (2) The tax imposed by R.S. 47:302(A) and R.S. 47:321 shall not apply to  
29        the sale at retail, the use, the consumption, the distribution, and the storage of insulin

1        Insulin, both prescription and nonprescription to be used or consumed in this state,  
2        for personal use or consumption; ~~provided, however, that this exemption shall apply~~  
3        ~~only to sales taxes imposed by the State of Louisiana and shall not apply to such~~  
4        ~~taxes authorized and imposed by any school board, municipality, or other local~~  
5        ~~taxing authority notwithstanding any other provision of law to the contrary,~~  
6        ~~specifically but not exclusively R.S. 33:2716.1.1.~~

7                (3) The sale, lease, or rental of tangible personal property if the sale, lease,  
8                or rental is made under the provisions of Medicare.

9                (4) The sale of any human tissue transplants, which shall be defined to  
10              include all human organs, bone, skin, cornea, blood, or blood products transplanted  
11              from one individual into another recipient individual.

12              (5) Adaptive driving equipment and motor vehicle modifications prescribed  
13              for personal use by a physician, a licensed chiropractor, or a driver rehabilitation  
14              specialist licensed by the state.

15              (6) The sale, lease, or rental of items, including but not limited to supplies  
16              and equipment, or the sale of services that are reasonably necessary for the operation  
17              of free hospitals.

18              (7)(a) The purchase, lease, or repair of capital equipment and the purchase,  
19              lease, or repair of software used to operate capital equipment by qualifying radiation  
20              therapy treatment centers.

21              (b) For purposes of this Paragraph, the following words shall have the  
22              following meanings unless the context clearly indicates otherwise:

23              (i) "Capital equipment" shall mean tangible personal property eligible for  
24              depreciation for federal income tax purposes that is used in the diagnosis or  
25              treatment of cancer patients. Capital equipment shall include, but shall not be  
26              limited to, linear accelerators, PET/CT scanners, imaging devices, and software  
27              necessary to operate capital equipment. In the case of the Biomedical Research  
28              Foundation in Shreveport, "capital equipment" shall mean a PET/CT scanner and  
29              related equipment for medical diagnosis and installation of the same.

1           (ii) "Qualifying radiation therapy center" shall mean all of the following:

2           (aa) A radiation therapy center which is also a nonprofit organization which  
3           maintains a joint accreditation with a state university by the Commission on  
4           Accreditation of Medical Physics Educational Programs, Inc. (CAMPEP) for a  
5           graduate medical physics program and which provides facilities and personnel for  
6           use for a joint CAMPEP-accredited graduate medical physics program for research,  
7           teaching, and clinical training for graduate students.

8           (bb) The Biomedical Research Foundation in Shreveport, Louisiana.

9           (cc) A radiation therapy facility which employs six or more medical  
10          physicists to provide radiation therapy treatment services.

11          (dd) The Willis-Knighton Health System in Shreveport, Louisiana.

12          (c) An exemption certificate shall be obtained from the secretary of the  
13          Department of Revenue in order for a radiation therapy center to qualify for the  
14          exemption provided for in this Section.

15          §305.3. ~~Exclusions and exemptions; seeds used in planting of crops~~ Exemptions;  
16          agricultural

17          ~~The tax imposed by taxing authorities shall not apply to the sale at retail of~~  
18          ~~seeds to a commercial farmer as defined in R.S. 47:301(30) for use in the planting~~  
19          ~~of any kind of crops.~~

20          A. The sales and use tax imposed by taxing authorities shall not apply to  
21          sales at retail of agricultural inputs, agricultural machinery and equipment, and other  
22          agricultural tangible personal property, provided that the purchase is directly related  
23          to the business activities of the purchaser.

24          B. For purposes of this Section the following terms shall have the following  
25          meanings:

26          (1) "Agricultural commodity" means horticultural, viticultural, poultry, farm  
27          and range products, and livestock and livestock products.

28          (2) "Agricultural inputs" means all of the following:

1           (a) Raw agricultural commodities, including but not limited to feed, seed,  
2           and fertilizer, to be utilized in preparing, finishing, manufacturing, or producing  
3           crops or animals for market by a commercial farmer.

4           (b) Raw materials for the production of raw or processed agricultural,  
5           silvicultural, or aquacultural products.

6           (c) Pharmaceuticals administered to livestock used for agricultural purposes.

7           (d) Every agricultural commodity sold by any person, other than a producer,  
8           to any other person who purchases not for direct consumption but for the purpose of  
9           acquiring raw product for use or for sale in the process of preparing, finishing, or  
10           manufacturing the agricultural commodity for the ultimate retail consumer trade,  
11           including payment of the tax applicable to the sale, storage, use, transfer, or any  
12           other utilization of or handling thereof, except when such agricultural commodity is  
13           actually sold as a marketable or finished product to the ultimate consumer, and in no  
14           case shall more than one tax be exacted.

15           (e) Seeds sold to a commercial farmer for use in the planting of any kind of  
16           crops.

17           (f) Diesel fuel, butane, propane, or other liquefied petroleum gases used or  
18           consumed for farm purposes by a commercial farmer.

19           (3) "Agricultural machinery and equipment" means all of the following:

20           (a) The first fifty thousand dollars of the sales price of new farm equipment  
21           used in poultry production.

22           (b) The first one hundred fifty thousand dollars of the sale price of farm  
23           equipment. The purchaser or his representative shall provide on any exemption  
24           certificate required for this exemption a certification that the purchaser is a  
25           commercial farmer or is purchasing for an agricultural facility. The department shall  
26           hold the purchaser responsible for any taxes due.

27           (c) Agricultural fencing materials, including gates, hog wire fencing, barbed  
28           wire fencing, lumber or steel used as posts or rails, nails, screws, hinges, and  
29           concrete consisting of premixed dry mortar used for the purpose of fencing

1 agricultural livestock. Agricultural fencing materials shall also include electric  
2 fence wire, insulated posts, power sources, grounding systems, warning signs, and  
3 other components of electric agricultural fencing.

4 (4) "Farm equipment" means and includes all of the following:

5 (a) Rubber tired farm tractors, cane harvesters, cane loaders, cotton pickers,  
6 combines, haybalers, and attachments and sprayers.

7 (b) Clippers, cultivators, discs, plows, and spreaders.

8 (c) Irrigation wells, drives, motors, and equipment.

9 (d) Other farm implements and equipment used for agricultural purposes in  
10 the production of food and fiber.

11 (e) On the farm facilities used to dry or store grain or any materials used to  
12 construct such on the farm facilities.

13 (f) Polyroll tubing sold to a commercial farmer or used for commercial farm  
14 irrigation.

15 (5) "Other agricultural tangible personal property" means all of the  
16 following:

17 (a) The gross proceeds derived from the sale in this state of livestock,  
18 poultry, and other farm products direct from the farm, provided that the sales are  
19 made directly by the producers. When sales of livestock, poultry, and other farm  
20 products are made to consumers by any person other than the producer, they are not  
21 exempted from the tax imposed by taxing authorities.

22 (b) The gross proceeds derived from the sale in this state of livestock at  
23 public sales sponsored by breeders' or registry associations or livestock auction  
24 markets. When public sales of livestock are made to consumers by any person other  
25 than through a public sale sponsored by a breeders' or registry association or a  
26 livestock auction market, they are not exempted. This Section shall be construed as  
27 exempting race horses entered in races and claimed at any racing meet held in  
28 Louisiana, whether the horse claimed was owned by the original breeder or not.

1           (c) Feed and feed additives for the purpose of sustaining animals which are  
2           held primarily for commercial, business, or agricultural use. The exemption  
3           provided for in this Paragraph shall not apply to the purchase of feed or feed  
4           additives for animals kept primarily for personal, sporting, or other purposes,  
5           including but not limited to purchases for pets of any kind or hunting dogs. For  
6           purposes of this Subparagraph:

7           (i) "Commercial use" means the purchasing, producing, or maintaining of  
8           animals, including breeding stock, for resale.

9           (ii) "Business use" means the keeping and maintaining of animals which are  
10           used in performing services in conjunction with a business enterprise, such as sentry  
11           dogs and rental horses.

12           (iii) "Agricultural use" means the maintaining of work animals and beasts  
13           of burden which are utilized in the activity of producing crops or animals for market,  
14           in the production of food for human consumption, in the production of animal hides  
15           or other animal products for market, or in the maintaining of breeding stock for the  
16           propagation of such agricultural use animals.

17           (d) Bait, feed, materials, supplies, equipment, fuel, and related items other  
18           than vessels used in the production or harvesting of crawfish. The person who  
19           purchases the exempt items shall claim the exemption by providing an exemption  
20           certificate at the time of purchase. Any merchant who in good faith, and after  
21           examination of the applicability of the exemption certificate to that purchase with  
22           due care, neglects or fails to collect the tax herein provided, due to the presentation  
23           by the purchaser of a tax exemption certificate issued by the Department of Revenue,  
24           including those issued pursuant to R.S. 47:305.10, shall not be liable for the payment  
25           of the tax.

26           (e) Materials, supplies, equipment, fuel, bait, and related items other than  
27           vessels used in the production or harvesting of catfish. The person who purchases  
28           the exempt items shall claim the exemption by providing an exemption certificate  
29           at the time of purchase. Any merchant who in good faith, and after examination of



1 the applicability of the exemption certificate to that purchase with due care, neglects  
2 or fails to collect the tax herein provided, due to the presentation by the purchaser  
3 of a tax exemption certificate issued by the Department of Revenue, shall not be  
4 liable for the payment of the tax.

5 (f) For purposes of the sales and use tax of all taxing authorities, the "use  
6 tax," as defined herein, shall not apply to livestock and livestock products, to poultry  
7 and poultry products, to farm, range and agricultural products when produced by the  
8 farmer and used by him and members of his family.

9 (g) Utilities used by commercial farmers for on-farm storage, provided that  
10 the on-farm storage facilities or containers are located in Louisiana, separately  
11 metered for utilities, and contain raw agricultural commodities, including but not  
12 limited to feed, seed, and fertilizer, to be utilized in preparing, finishing,  
13 manufacturing, or producing crops or animals prior to the first point of sale.

14 (h) Pesticides used for agricultural purposes, including particularly but not  
15 by way of limitation, insecticides, herbicides and fungicides.

16 (i) Purchases of feed, feed additives, seed, plants, or fertilizer by a student  
17 farmer while engaged in the scope and course of an approved agricultural project.

18 A "student farmer" is an individual who is under the age of twenty-three and who is  
19 enrolled in any of the following:

20 (aa) A Future Farmers of America chapter or a program established by the  
21 National Future Farmers of America organization.

22 (bb) A 4-H Club or other program established by 4-H.

23 (cc) Any student agriculture program that is under the direction or guidance  
24 of an agricultural educator, advisor, or club leader.

25 C. The secretary may promulgate rules and regulations designed to carry out  
26 the provisions of this Section, and any transaction not strictly in compliance with  
27 such rules and regulations shall lose the exemption provided in this Section.

28 ~~§305.4. Exclusions and exemptions; utilities used by commercial farmers for on-~~  
29 ~~farm storage~~ Exemptions; raw materials for further processing

1           ~~A. Beginning October 1, 2021, the sales and use tax imposed by the state of~~  
2           ~~Louisiana shall not apply to the sale or use of utilities used by commercial farmers~~  
3           ~~for on-farm storage.~~

4           ~~B. For purposes of this Section:~~

5           ~~(1) "Commercial farmer" shall have the same meaning as defined in R.S.~~  
6           ~~47:301(30).~~

7           ~~(2) "On-farm storage" means facilities or containers located in Louisiana that~~  
8           ~~are separately metered for utilities and that contain raw agricultural commodities,~~  
9           ~~including but not limited to feed, seed, and fertilizer, to be utilized in preparing,~~  
10          ~~finishing, manufacturing, or producing crops or animals prior to the first point of~~  
11          ~~sale.~~

12          ~~(3) "Utilities" means steam, water, electric power or energy, natural gas, or~~  
13          ~~energy sources as provided for in R.S. 47:305(D)(1)(b), (c), (d), (g), and (h).~~

14          A. Materials for further processing into articles of tangible personal property  
15          for sale at retail shall be exempt from sales and use taxes imposed by all taxing  
16          authorities when all of the following criteria are met:

17           (1)(a) The raw materials become a recognizable and identifiable component  
18           of the end product.

19           (b) The raw materials are beneficial to the end product.

20           (c) The raw materials are material for further processing, and as such, are  
21           purchased for the purpose of inclusion into the end product.

22           (2)(a) If the materials are further processed into a byproduct for sale, the  
23           purchases of materials shall not be deemed to be sales for further processing and  
24           shall be taxable. For purposes of this Paragraph, the term "byproduct" shall mean  
25           any incidental product that is sold for a sales price less than the cost of the materials.

26           (b) In the event a byproduct is sold at retail in this state for which a sales and  
27           use tax has been paid by the seller on the cost of the materials, which materials are  
28           used partially or fully in the manufacturing of the byproduct, a credit against the tax

1 paid by the seller shall be allowed in an amount equal to the sales tax collected and  
2 remitted by the seller on the taxable retail sale of the byproduct.

3 B.C. The secretary of the Department of Revenue may promulgate rules and  
4 regulations necessary to implement the provisions of this Section.

5 §305.5. Exemptions; manufacturing machinery and equipment

6 A. For purposes of this Section, the following words shall have the following  
7 meanings unless the context indicates otherwise:

8 (1)(a) "Machinery and equipment" means tangible personal property or other  
9 property that is capitalized for federal income tax purposes and that is used as an  
10 integral part in the manufacturing of tangible personal property for sale or the  
11 production, processing, and storing of food and fiber or of timber. Machinery and  
12 equipment shall also include, but is not limited to the following:

13 (i) Computers and software that are an integral part of the machinery and  
14 equipment used directly in the manufacturing process.

15 (ii) Machinery and equipment necessary to control pollution at a plant  
16 facility where pollution is produced by the manufacturing operation.

17 (iii) Machinery and equipment, including related computers and software,  
18 used to test or measure raw materials, the property undergoing manufacturing or the  
19 finished product, when the test or measurement is a necessary part of the  
20 manufacturing process.

21 (iv) Machinery and equipment used by an industrial manufacturing plant to  
22 generate electric power for self-consumption or cogeneration.

23 (v) Machinery and equipment used primarily to produce a news publication  
24 whether it is ultimately sold at retail or for resale or at no cost including, but not  
25 limited to all machinery and equipment used primarily in composing, creating, and  
26 other prepress operations, electronic transmission of pages from prepress to press,  
27 pressroom operations, and mailroom operations and assembly activities. The term  
28 "news publication" shall mean any publication issued daily or regularly at average  
29 intervals not exceeding three months, which contains reports of varied character,

1 such as political, social, cultural, sports, moral, religious, or subjects of general  
2 public interest, and advertising supplements and any other printed matter ultimately  
3 distributed with or a part of the publications.

4 (b) Machinery and equipment shall not include any of the following:

5 (i) A building and its structural components, unless the building or structural  
6 component is so closely related to the machinery and equipment that it houses or  
7 supports that the building or structural component can be expected to be replaced  
8 when the machinery and equipment are replaced.

9 (ii) Heating, ventilation, and air-conditioning systems, unless their  
10 installation is necessary to meet the requirements of the manufacturing process, even  
11 though the system may provide incidental comfort to employees or serve, to an  
12 insubstantial degree, nonproduction activities.

13 (iii) Tangible personal property used to transport raw materials or  
14 manufactured goods prior to the beginning of the manufacturing process or after the  
15 manufacturing process is complete.

16 (iv) Tangible personal property used to store raw materials or manufactured  
17 goods prior to the beginning of the manufacturing process or after the manufacturing  
18 process is complete.

19 (2) "Manufacturer" means any of the following:

20 (a) A person whose principal activity is manufacturing, as defined in  
21 Paragraph (3) of this Subsection, and who is assigned by the Louisiana Workforce  
22 Commission a North American Industrial Classification System code within the  
23 agricultural, forestry, fishing, and hunting Sector 11, the manufacturing Sectors  
24 31-33, the information Sector 511110 as they existed in 2002, or industry code  
25 423930 as a recyclable material merchant wholesaler engaged in manufacturing  
26 activities, which must include shredding facilities, as determined by the secretary of  
27 the Department of Revenue.

28 (b) A person whose principal activity is manufacturing and who is not  
29 required to register with the Louisiana Workforce Commission for purposes of

1 unemployment insurance, but who would be assigned a North American Industrial  
2 Classification System code within the agricultural, forestry, fishing, and hunting  
3 Sector 11, the manufacturing Sectors 31-33, the information Sector 511110 as they  
4 existed in 2002, as determined by the Louisiana Department of Revenue from federal  
5 income tax data, if he were required to register with the Louisiana Workforce  
6 Commission for purposes of unemployment insurance.

7 (3) "Manufacturing" means putting raw materials through a series of steps  
8 that brings about a change in their composition or physical nature in order to make  
9 a new and different item of tangible personal property that will be sold to another.  
10 Manufacturing begins at the point at which raw materials reach the first machine or  
11 piece of equipment involved in changing the form of the material and ends at the  
12 point at which manufacturing has altered the material to its completed form. Placing  
13 materials into containers, packages, or wrapping in which they are sold to the  
14 ultimate consumer is part of this manufacturing process. Manufacturing, for  
15 purposes of this Paragraph, does not include any of the following:

16 (a) Repackaging or redistributing.

17 (b) The cooking or preparing of food products by a retailer in the regular  
18 course of retail trade.

19 (c) The storage of tangible personal property.

20 (d) The delivery of tangible personal property to or from the plant.

21 (e) The delivery of tangible personal property to or from storage within the  
22 plant.

23 (f) Actions such as sorting, packaging, or shrink wrapping the final material  
24 for ease of transporting and shipping.

25 (4) "Manufacturing for agricultural purposes" means the production,  
26 processing, and storing of food and fiber and the production, processing, and storing  
27 of timber.

28 (5) "Plant facility" means a facility, at one or more locations, in which  
29 manufacturing, referred to in Sectors 11 and 31-33 of the North American Industrial

1 Classification system as of 2002, of a product of tangible personal property takes  
2 place.

3 (6) "Used directly" means used in the actual process of manufacturing or  
4 manufacturing for agricultural purposes.

5 B. The following items shall be exempt from the sales and use tax imposed  
6 by any taxing authority:

7 (1) Machinery and equipment used by a manufacturer in a plant facility  
8 predominately and directly in the actual manufacturing for agricultural purposes or  
9 the actual manufacturing process of an item of tangible personal property, which is  
10 for ultimate sale to another and not for internal use, at one or more fixed locations  
11 within Louisiana.

12 (2) Machinery and equipment purchased by a utility regulated by the Public  
13 Service Commission or the council of the city of New Orleans. For the purposes of  
14 this Paragraph, the term "utility" shall mean a person regulated by the Public Service  
15 Commission or the council of the city of New Orleans who is assigned a North  
16 American Industry Classification System Code 22111, Electric Power Generation,  
17 as it existed in 2002 and shall be considered a "manufacturer" for purposes of this  
18 Section.

19 (3) Sales of electricity for chlor-alkali manufacturing processes.

20 C. The following items purchased by a person whose principal activity is  
21 manufacturing and who is assigned an industry group designation by the United  
22 States Census of 3211 through 3222 or 113310 pursuant to the North American  
23 Industry Classification System of 2007 shall be exempt from sales and use taxes  
24 imposed by any taxing authority:

25 (1) Tangible personal property consumed in the manufacturing process, such  
26 as fuses, belts, felts, wires, conveyor belts, lubricants, and motor oils.

27 (2) Repairs and maintenance of manufacturing machinery and equipment.

1           D. The lease or rental of machinery and equipment used by a manufacturer  
2           in a plant facility predominately and directly in either of the following shall be  
3           exempt from the lease or rental tax imposed by any taxing authority:

4           (1) The actual manufacturing process of an item of tangible personal  
5           property.

6           (2) The actual manufacturing for agricultural purposes, including but not  
7           limited to rubber tired farm tractors, cane harvesters, cane loaders, cotton pickers,  
8           combines, haybalers, attachments and sprayers, clippers, cultivators, discs, plows,  
9           and spreaders, which is for ultimate sale to another and not for internal use, at one  
10          or more fixed locations within Louisiana.

11          E.(1) No person shall be entitled to purchase, use, lease, or rent machinery  
12          or equipment as defined herein without payment of the sales and use tax before  
13          receiving a certificate of exemption from the secretary of the Department of Revenue  
14          certifying that he is a manufacturer as defined herein.

15          (2) The manufacturer's exemption certificate granted by the Department of  
16          Revenue shall serve as a substitute for the sales tax exemption for certain farm  
17          equipment.

18          F. The secretary of the Department of Revenue may promulgate rules and  
19          regulations in accordance with the Administrative Procedure Act as are necessary to  
20          administer the exemptions provided for in this Section.

21          §305.6. Exclusions and exemptions; ~~Little Theater tickets~~ schools and educational  
22          materials

23          ~~The sales tax imposed by taxing authorities shall not apply to the sale of~~  
24          ~~admission tickets by Little Theater organizations.~~ The sales and use tax imposed by  
25          taxing authorities shall not apply to:

26          (1) Educational materials or equipment used for classroom instruction by  
27          approved parochial and private elementary and secondary schools which comply  
28          with the court order from the Dodd Brumfield decision and Section 501(c)(3) of the

1 Internal Revenue Code, limited to books, workbooks, computers, computer software,  
2 films, videos, and audio tapes.

3 (2) Tangible personal property sold by approved parochial and private  
4 elementary and secondary schools which comply with the court order from the Dodd  
5 Brumfield decision and Section 501(c)(3) of the Internal Revenue Code, or students,  
6 administrators, or teachers, or other employees of the school, if the money from the  
7 sales, less reasonable and necessary expenses associated with the sale, is used solely  
8 and exclusively to support the school or its program or curricula. This exemption  
9 shall not be construed to allow tax-free sales to students or their families by  
10 promoters or regular commercial dealers through the use of schools, school faculty,  
11 or school facilities.

12 (3) The purchase of food items for school lunch or breakfast programs by  
13 nonpublic elementary or secondary schools which participate in the National School  
14 Lunch and School Breakfast programs or the purchase of food items by nonprofit  
15 corporations which serve students in nonpublic elementary or secondary schools and  
16 which participate in the National School Lunch and School Breakfast programs

17 (4) The sale at retail of property in the regular course of business or the  
18 donation to a school in the state which meets the definition provided in R.S. 17:236  
19 or to a public or recognized independent institution of higher education in the state  
20 of property previously purchased for resale in the regular course of a business.

21 (5) The sale of admissions to athletic and entertainment events held for or  
22 by parochial and private elementary and secondary schools.

23 ~~§305.7. Exclusions and exemptions; tickets to musical performances of nonprofit~~  
24 ~~musical organizations~~ intergovernmental; government

25 ~~The sales tax imposed by taxing authorities shall not apply to the sale of~~  
26 ~~admission tickets by domestic nonprofit corporations or by any other domestic~~  
27 ~~nonprofit organization known as a symphony organization or as a society or~~  
28 ~~organization engaged in the presentation of musical performances; provided that this~~  
29 ~~Section shall not apply to performances given by out-of-state or nonresident~~



1        ~~symphony companies, nor shall this Section apply to any performance intended to~~  
2        ~~yield a profit to the promoters thereof.~~

3                A. This state, any parish, city and parish, municipality, district, or other  
4        political subdivision thereof, or any agency, board, commission, or instrumentality  
5        of this state or its political subdivisions shall be exempt from sales and use taxes  
6        imposed by any taxing authority. Upon request by any political subdivision for an  
7        exemption identification number, the Department of Revenue shall issue such  
8        number.

9                B. The following items shall be excluded from the sales and use tax imposed  
10        by any taxing authority:

11                (1) Sales of tangible personal property by the Military Department which  
12        occur on an installation or other property owned or operated by the Military  
13        Department, including thrift shops located on military installations.

14                (2) The lease or rental of property to be used in performance of a contract  
15        with the United States Department of the Navy for construction or overhaul of U.S.  
16        Naval vessels.

17                (3) For purposes of the sales of services, an action performed pursuant to a  
18        contract with the United States Department of the Navy for construction or overhaul  
19        of U.S. Naval vessels.

20                (4) The sale of corporeal movable property which is intended for future sale  
21        to the United States government or its agencies, when title to the property is  
22        transferred to the United States government or its agencies prior to the incorporation  
23        of that property into a final product.

24                (5) The sale or purchase of equipment used in firefighting by bona fide  
25        volunteer and public fire departments.

26                C. The following items shall be exempt from the sales and use tax imposed  
27        by any taxing authority:

1           (1) Eligible food items, as defined by the United States Department of  
2           Agriculture regulations for the Supplemental Nutrition Assistance Program (SNAP),  
3           when the food items are purchased with SNAP benefits.

4           (2) Eligible food items authorized for purchase under the Women, Infants,  
5           and Children's (WIC) Program as administered by the Department of Children and  
6           Family Services when the items are purchased with WIC Program benefits.

7           (3) The exemptions granted pursuant to this Subsection shall remain in effect  
8           as to each program only until applicable federal law, rules, or regulations permit the  
9           levy and collection of sales and use taxes on those exempted items without  
10           jeopardizing the contribution of funds by the federal government to the program.

11           ~~§305.8. Exclusions and exemptions; pesticides used for agricultural purposes~~

12                   Exclusion; funeral directing services

13           A. The tax imposed sales and use tax levied by taxing authorities shall not  
14           apply to sale at retail to a commercial farmer as defined in R.S. 47:301(30) of  
15           pesticides used for agricultural purposes, including particularly but not by way of  
16           limitation, insecticides, herbicides and fungicides funeral directing services.

17           B. For purposes of this Section, "funeral directing services" means the  
18           operation of a funeral home including, but not limited to any service whatsoever  
19           connected with the management of funerals, or the supervision of hearses or funeral  
20           cars, the cleaning or dressing of dead human bodies for burial, and the performance  
21           or supervision of any service or act connected with the management of funerals from  
22           time of death until the body or bodies are delivered to the cemetery, crematorium,  
23           or other agent for the purpose of disposition. Funeral directing services shall not  
24           mean or include the sale, lease, rental, or use of any tangible personal property as  
25           those terms are defined in R.S. 47:301.

26                                   \*       \*       \*

27           ~~§305.10. Exclusions and exemptions; property purchase for first use outside the~~  
28           ~~state~~

29                                   \*       \*       \*

1 F. "Use for a taxable purpose" shall not include, for purposes of this Section,  
 2 transportation beyond the territorial limits of the state; transportation back into the  
 3 state; and repairing, modifying, further fabrication, and storing for first use offshore  
 4 beyond the territorial limits of any state. Storage and withdrawal from storage for  
 5 first use offshore beyond the territorial limits of any state is not a taxable use for  
 6 purposes of this Section. Charges for repairs in Louisiana to tangible personal  
 7 property for use in offshore areas are taxable, except those described in ~~R.S.~~  
 8 47:305(F) R.S. 47:305(H).

9 \* \* \*

10 §305.12 Prohibition on levy of taxes on nongaming incentives or inducements

11 A.(1) Except as expressly provided in R.S. 33:4574.11 or by express written  
 12 agreement duly signed and consented by the state or a local governing authority and  
 13 the holder of a license as defined in R.S. 27:44 and provided for in Chapter 4 of Title  
 14 27 of the Louisiana Revised Statutes of 1950, no fee or tax shall be levied on  
 15 nongaming incentives or inducements granted by such licensee to a patron on a  
 16 complimentary basis, or solely through the redemption of rewards from a loyalty  
 17 rewards program, including room stays. If nongaming incentives or inducements are  
 18 granted to a patron by a licensee on a discounted basis, or partially through the  
 19 redemption of rewards from a loyalty rewards program, any fee or taxes levied shall  
 20 be limited to the actual cash portion, if any, paid by the patron and no tax shall be  
 21 applied to the extent of the discount or rewards.

22 (2) Except as expressly provided in R.S. 33:4574.11 or by express written  
 23 agreement duly signed and consented to by the state or a local governing authority  
 24 and the holder of a license as defined in R.S. 27:353 and provided for in Chapter 7  
 25 of Title 27 of the Louisiana Revised Statutes of 1950, no fee or tax shall be levied  
 26 on nongaming incentives or inducements granted by such licensee to a patron on a  
 27 complimentary basis, or solely through the redemption of rewards from a loyalty  
 28 rewards program, including room stays. If nongaming incentives or inducements are  
 29 granted to a patron by a licensee on a discounted basis, or partially through the

1 redemption of rewards from a loyalty rewards program, any fee or taxes levied shall  
2 be limited to the actual cash portion, if any, paid by the patron and no tax shall be  
3 applied to the extent of the discount or rewards.

4 B. No provision of this Section shall be construed to change the definition  
5 of net gaming proceeds for the purpose of the taxes provided for pursuant to Title 27  
6 of the Louisiana Revised Statutes of 1950, nor shall it increase any allowance for  
7 promotional play provided for by law.

8 C. Notwithstanding any other provision of this Section to the contrary,  
9 nothing in this Section shall be interpreted to restrict the imposition of sales or use  
10 tax on the following:

11 (1) Any sales tax levied upon the purchase by a licensee of tangible personal  
12 property, including meals and beverages, used as a complimentary incentive or  
13 inducement.

14 (2) Any use tax levied upon the use by a licensee of tangible personal  
15 property, including meals and beverages, used as a complimentary incentive or  
16 inducement.

17 (3) Any sales or use tax due on parking, admissions, or entertainment  
18 provided on a complimentary or discounted basis if that tax is otherwise due under  
19 applicable law.

20 \* \* \*

21 §305.20. Exclusions and exemptions; Louisiana commercial fishermen

22 A. A Louisiana resident domiciled in Louisiana who possesses ~~such~~ a valid  
23 Louisiana commercial fishing license(s) license as may be necessary for commercial  
24 fishing ventures, including but not limited to a vessel license issued pursuant to R.S.  
25 56:304, and who is an owner of a vessel operated primarily for the conduct of  
26 commercial fishing as a trade or business and which the Department of Wildlife and  
27 Fisheries determines will be predominantly and principally used for commercial  
28 fishing ventures and whose catch is for human consumption shall be exempt from  
29 the sales, use, lease, and services taxes imposed by any taxing authority. The

1 exemption shall comport with the provisions of Subsection C of this Section.  
 2 Possession of a commercial fishing license issued by the Department of Wildlife and  
 3 Fisheries shall not be used as the sole determination that a vessel will be used  
 4 predominantly and principally for commercial fishing ventures. ~~This exemption~~  
 5 ~~shall also apply to facilities which process the catch from owners of commercial~~  
 6 ~~fishing vessels for which this exemption is granted when such vessels are owned by,~~  
 7 ~~or leased or contracted exclusively to, the seafood processing facility.~~

8 \* \* \*

9 C. An owner who has obtained a certificate of exemption shall, with respect  
 10 to the vessel identified in the certificate for the harvesting or production of fish and  
 11 other aquatic life, including shrimp, oysters, and clams, ~~and certain seafood~~  
 12 ~~processing facilities described in Subsection A,~~ be exempt from the taxes described  
 13 in Subsection A, as follows:

14 (1) Taxes applied to the materials and supplies necessary for repairs to the  
 15 vessel or facility if they are purchased by the owner and later become a component  
 16 part of the vessel ~~or facility.~~

17 (2) Taxes applied to materials and supplies purchased by the owner of the  
 18 vessel ~~or facility~~ where such the materials and supplies are loaded upon the vessel  
 19 ~~or delivered to the facility~~ for use or consumption in the maintenance and operation  
 20 thereof for commercial fishing ~~and processing~~ ventures. For purposes of this  
 21 Paragraph, it shall make no difference whether the vessel is engaged in interstate,  
 22 foreign, or intrastate commerce.

23 (3) Taxes applied to repair services performed upon the vessel ~~or facility.~~  
 24 For the purposes of this Paragraph, it shall make no difference whether the vessel is  
 25 engaged in intrastate, interstate, or foreign commerce.

26 (4) Taxes applied to the purchase of gasoline, diesel fuel, and lubricants for  
 27 the vessel ~~and to sources of energy and fuels for the facility.~~

28 D. Any person who would otherwise be entitled to a certificate of exemption,  
 29 shall be exempt from all taxes applied to the purchase of any vessel which the

1 Department of Revenue determines, ~~under its~~ in accordance with rules and  
 2 regulations, will be used principally and predominantly for commercial fishing  
 3 ventures. This determination may be made prior to the sale by the department at  
 4 which time it shall issue to the applicant a certificate of exemption. Where  
 5 application is made prior to the purchase, the burden shall be on the applicant to  
 6 demonstrate that the vessel will be used principally and predominantly for  
 7 commercial fishing ventures. If application for a certificate of exemption is made  
 8 after purchase, a certificate of exemption shall issue and the Department of Revenue  
 9 shall give a rebate, out of funds made available therefor, for all taxes paid; but this  
 10 shall take place only where the applicant has demonstrated his and the vessel's  
 11 qualifications under this Section. ~~This Subsection shall be made applicable only to~~  
 12 ~~purchases made subsequent to September 12, 1975.~~

\* \* \*

14 §305.50. Exemption; vehicles used in interstate commerce; rail rolling stock;  
 15 railroad ties

\* \* \*

17 ~~B. The sales and use tax imposed by the state of Louisiana or any of its local~~  
 18 ~~political subdivisions shall not apply to contract carrier buses if such buses are used~~  
 19 ~~at least eighty percent of the time in interstate commerce.~~

20 ~~C.(1) For purposes of this Section, the term "bus" shall mean a commercial~~  
 21 ~~vehicle with a minimum passenger capacity of thirty-five persons and a minimum~~  
 22 ~~gross vehicle weight of twenty-six thousand pounds.~~

23 ~~(2) For purposes of this Section, the term "contract carrier" shall mean any~~  
 24 ~~person transporting, other than as a common carrier, persons for hire, charge, or~~  
 25 ~~compensation, over any highway of this state, or however utilizing said public~~  
 26 ~~facilities for private gain to be realized chiefly out of such transportation service.~~

27 ~~D.~~ The deputy secretary of public safety services of the Department of Public  
 28 Safety and Corrections is hereby authorized to may promulgate such forms and rules

1 ~~as may be~~ in accordance with the Administrative Procedure Act necessary to  
2 implement the provisions of this Section.

3 ~~E.(1)~~C.(1) The sales and use tax imposed by the state of Louisiana or any of  
4 its local political subdivisions or statewide taxing authorities shall not apply to rail  
5 rolling stock sold or leased in this state.

6 (2) The sales and use tax imposed by ~~the state of Louisiana or statewide~~  
7 ~~taxing authorities~~ any taxing authority shall not apply to parts or services used in the  
8 fabrication, modification, or repair of rail rolling stock. ~~A political subdivision may,~~  
9 ~~by ordinance, provide that sales and use tax imposed by the political subdivision~~  
10 ~~shall not apply to parts or service used in the fabrication, modification, or repair of~~  
11 ~~rail rolling stock.~~

12 ~~F.D.~~ The sales and use tax imposed by the state, its statewide taxing  
13 authorities, or any of its political subdivisions shall not apply to the "sales price" or  
14 "cost price" of railroad ties that a railroad purchases prior to long-term preservative  
15 treatment and installs into the railroad's track system outside the taxing jurisdiction  
16 of the respective taxing authority, whether it be the state, a statewide taxing  
17 authority, or a political subdivision.

18 \* \* \*

19 §305.72. Rebates; sales and use tax for motor vehicles used by persons with  
20 orthopedic disabilities

21 \* \* \*

22 ~~C.(1)~~ For purchases eligible for a rebate provided for in this Section made  
23 on or after January 1, 2025, the purchaser shall also be eligible for a rebate of sales  
24 and use taxes imposed by political subdivisions.

25 D.(1) The rebate authorized by this Section shall entitle the purchaser to a  
26 rebate of the ~~state~~ sales and use tax paid on the vehicle which may be claimed only  
27 after the vehicle modifications have been completed. ~~To claim the rebate, the~~  
28 ~~purchaser shall request a rebate in the form and manner prescribed by rule~~  
29 ~~promulgated by the secretary of the Department of Revenue.~~





1 ~~bidder on fiber-optic cable equipment used to distribute fixed and mobile broadband~~  
2 ~~networks to eligible rural unserved areas in Louisiana. The amount of the rebate~~  
3 ~~shall equal fifty percent of the sales and use tax paid by the winning bidder on~~  
4 ~~fiber-optic cable equipment.~~

5 ~~(2) Each item of fiber-optic cable equipment shall be eligible for only a~~  
6 ~~single rebate pursuant to this Section. Subsequent transactions involving the sale or~~  
7 ~~resale of the same item of fiber-optic cable equipment shall not be eligible for any~~  
8 ~~rebate authorized pursuant to this Section.~~

9 ~~(3) The rebate authorized pursuant to this Section shall not be allowed for~~  
10 ~~the purchases of fiber-optic cable equipment that are paid for with state or federal~~  
11 ~~funds, unless the state or federal funds are reported as taxable income or are~~  
12 ~~structured as repayable loans.~~

13 ~~C.(1)(a) Subject to the limitation provided in Subparagraph (b) of this~~  
14 ~~Paragraph, an approved data center facility shall be eligible for a rebate, to be paid~~  
15 ~~annually, of Louisiana state and local sales and use taxes paid for the purchase of~~  
16 ~~shall not apply to eligible data center equipment purchased by and for sales tax paid~~  
17 ~~on expenditures of an approved data center facility for the development, acquisition,~~  
18 ~~construction, lease, repair, refurbishment, expansion, and renovation of a qualified~~  
19 ~~data center, including but not limited to costs of construction and building materials,~~  
20 ~~site characterization and assessment, engineering, design, and labor and installation~~  
21 ~~services used directly and exclusively in a qualified data center.~~

22 ~~(b) Only purchases made on or after July 1, 2024, shall be eligible for the~~  
23 ~~rebate exemption authorized in this Subsection.~~

24 ~~(2) To be certified as an approved data center by Louisiana Economic~~  
25 ~~Development, the data center facility operator shall provide a sworn attestation that~~  
26 ~~the project will create a minimum of fifty new direct, permanent jobs in Louisiana~~  
27 ~~and intends to expend at least two hundred million dollars in new capital investment~~  
28 ~~in Louisiana on or after July 1, 2024, and before July 1, 2029. An approved data~~

1 center shall be issued a Direct Payment Number in accordance with the applicable  
2 provisions of R.S. 47:303.1.

3 (3)(a) A facility that has been certified as an approved data center facility  
4 shall enter into an agreement with Louisiana Economic Development that comports  
5 with the requirements of this Paragraph.

6 (b) The agreement shall provide a term of ~~rebate~~ exemption eligibility, an  
7 initial term of twenty years, a list of all eligible recipients of the ~~rebate exemption,~~  
8 ~~and language that authorizes the state to terminate the agreement and recapture any~~  
9 ~~rebates~~ language that authorizes the state and local taxing authority to assess and  
10 collect any sales and use taxes due if the data center facility fails to fulfill, or  
11 Louisiana Economic Development determines that the facility will be unable to  
12 fulfill, its statutory and contractual obligations.

13 (c) Upon the expiration of the initial term of the agreement, Louisiana  
14 Economic Development may renew the agreement for an additional ten years.

15 (d) Louisiana Economic Development may include in the agreement any  
16 additional conditions that it deems appropriate.

17 (4) The department may utilize any collection remedy authorized by ~~R.S.~~  
18 ~~47:1561.2 for any rebates subject to recapture~~ Chapter 18 of this Subtitle based on  
19 termination of the agreement with Louisiana Economic Development or a  
20 determination that ~~the~~ a purchase did not qualify for the ~~rebate exemption.~~ If a  
21 ~~rebate is subject to recapture, the approved data center facility shall reimburse the~~  
22 ~~department or its agent for any costs incurred.~~

23 C. Any overpayment resulting from an approved data center's payment of  
24 sales and use tax on exempt purchases or expenditures shall not be entitled to interest  
25 on refunds provided for in R.S. 47:337.80 or 1624.

26 ~~D.(1) Requests for the rebates of state sales and use taxes pursuant to the~~  
27 ~~provisions of this Section shall be processed by the department. A taxpayer shall~~  
28 ~~request a state rebate using the form and in the manner prescribed by the department.~~

1           ~~(2) A taxpayer who requests a rebate pursuant to Subsection B of this~~  
2           ~~Section shall submit documentation to the department evidencing the purchase of~~  
3           ~~fiber-optic cable equipment and that the purchaser is a winning bidder that was~~  
4           ~~awarded a census block by the Federal Communications Commission in the Rural~~  
5           ~~Digital Opportunity Fund Auction.~~

6           ~~(3) A taxpayer who requests a rebate pursuant to Subsection C of this~~  
7           ~~Section shall do all of the following:~~

8           ~~(a) Obtain certification from Louisiana Economic Development that the data~~  
9           ~~center is an approved data center facility eligible to receive a rebate provided for in~~  
10          ~~Subsection C of this Section, in accordance with administrative rules. A copy of the~~  
11          ~~certification shall be submitted to the department with the request for rebate.~~

12          ~~(b) Submit documentation to the department evidencing the purchases~~  
13          ~~eligible for the rebate.~~

14          ~~E.(1) Requests for the rebate of local sales and use taxes pursuant to the~~  
15          ~~provisions of this Section shall be processed by the appropriate local taxing~~  
16          ~~authority. A taxpayer shall claim a local rebate using the form and in the manner~~  
17          ~~required by the local taxing authority.~~

18          ~~(2) A taxpayer who requests a rebate pursuant to Subsection B of this~~  
19          ~~Section shall submit documentation to the local taxing authority evidencing the~~  
20          ~~purchase of fiber-optic cable equipment and documentation evidencing that the~~  
21          ~~purchaser is a winning bidder that was awarded a census block by the Federal~~  
22          ~~Communications Commission in the Rural Digital Opportunity Fund Auction.~~

23          ~~(3) A taxpayer who requests a rebate pursuant to Subsection C of this~~  
24          ~~Section shall submit documentation to the applicable local taxing authority~~  
25          ~~evidencing the purchases eligible for the rebate.~~

26          F.(1)D. The department and the Louisiana Uniform Local Sales Tax Board,  
27          respectively, may promulgate rules and regulations in accordance with the  
28          Administrative Procedure Act as necessary for the implementation of this Section.





1 and the storage for use or consumption in this state of each item or article of tangible  
2 personal property, as defined in Chapter 2 of Subtitle II of this Title. The levy of  
3 said tax shall be as follows:

4 (1) At the rate of one percent of the sales price of each item or article of  
5 tangible personal property when sold at retail in this state ~~except for prepaid calling~~  
6 ~~service and prepaid wireless calling service~~, the tax to be computed on gross sales  
7 for the purpose of remitting the amount of tax to the state, and to include each and  
8 every retail sale.

9 (2) At the rate of one percent of the cost price of each item or article of  
10 tangible personal property ~~except for prepaid calling service and prepaid wireless~~  
11 ~~calling service~~ when the same is not sold but is used, consumed, distributed, or  
12 stored for use or consumption in this state, provided that there shall be no duplication  
13 of the tax.

14 \* \* \*

15 C. In addition to the tax levied on sales of services by R.S. 47:302(C) and  
16 331(C) and collected under the provisions of Chapter 2 of Subtitle II of this Title,  
17 there is hereby levied a tax upon all sales of services, as defined by said Chapter 2  
18 of Subtitle II of this Title, in this state, at the rate of one percent of the amounts paid  
19 or charged for such services; ~~however, the tax levied by this Section shall not apply~~  
20 ~~to the furnishing of telecommunications services for compensation as provided in~~  
21 ~~R.S. 47:301(14)(i).~~

22 \* \* \*

23 §322. Collection of the tax

24 The provisions of Chapter 2 of Subtitle II of this Title shall be applicable to  
25 the additional one percent tax herein levied and shall be collected, under ~~such~~ rules  
26 and regulations as the secretary of the Department of Revenue shall promulgate and  
27 adopt, in the manner now or hereafter prescribed for collection of the sales tax levied  
28 and collected pursuant to the provisions of ~~said~~ Chapter 2 and shall be subject to the  
29 same definitions, exemptions, tax credits, penalties, and limitations now or hereafter

1 prescribed in said Chapter 2; ~~however, the tax levied by R.S. 47:321 shall not apply~~  
2 ~~to the furnishing of telecommunications services for compensation as provided in~~  
3 ~~R.S. 47:301(14)(i).~~

4 \* \* \*

5 §331. Imposition of tax

6 A. In addition to the tax levied by R.S. 47:302(A) and 321(A) and collected  
7 under the provisions of Chapter 2 of Subtitle II of Title 47 of the Louisiana Revised  
8 Statutes of 1950, there is hereby levied an additional tax upon the sale at retail, the  
9 use, the consumption, the distribution, and the storage for use or consumption in this  
10 state of each item or article of tangible personal property, as defined in Chapter 2 of  
11 Subtitle II of Title 47 of the Louisiana Revised Statutes of 1950; the levy of said tax  
12 to be as follows:

13 (1) At the rate of ~~ninety-seven one hundredths of one percentum~~ one percent  
14 of the sales price of each item or article of tangible personal property when sold at  
15 retail in this state, the tax to be computed on gross sales for the purpose of remitting  
16 the amount of tax to the state, and to include each and every retail sale.

17 (2) At the rate of ~~ninety-seven one hundredths of one percentum~~ one percent  
18 of the cost price of each item or article of tangible personal property when the same  
19 is not sold but is used, consumed, distributed, or stored for use or consumption in this  
20 state, provided that there shall be no duplication of the tax.

21 B. In addition to the tax levied by R.S. 47:302(B) and 321(B) and collected  
22 under the provisions of Chapter 2 of Subtitle II of Title 47 of the Louisiana Revised  
23 Statutes of 1950, there is hereby levied a tax upon the lease or rental within this state  
24 of each item or article of tangible personal property, as defined by said Chapter 2 of  
25 Subtitle II of Title 47 of the Louisiana Revised Statutes of 1950; the levy of said tax  
26 to be as follows:

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.





1 Title 47 of the Louisiana Revised Statutes of 1950 shall be inapplicable, inoperable  
2 and of no effect on the tax imposed and levied pursuant to the provisions of R.S.  
3 47:331.

4 \* \* \*

5 §337.2. Intent; application and interpretation of Chapter

6 \* \* \*

7 C. Notwithstanding any other law to the contrary, in order to ensure  
8 taxpayers of uniformity of tax collection, the regulations applicable to the sales and  
9 use tax of the tax authorities provided for in this Chapter shall be the following:

10 \* \* \*

11 (2) ~~Until January 1, 2004, any collector may file a written request with the~~  
12 ~~secretary for amendment in the manner provided for in Paragraph (4) of this~~  
13 ~~Subsection of any regulation of the Department of Revenue in effect on July 1, 2003,~~  
14 ~~concerning a common sales tax law. If no request for an amendment of a particular~~  
15 ~~regulation has been received by the secretary by January 1, 2004, then that regulation~~  
16 Regulations of the Department of Revenue in effect on January 1, 2025, concerning  
17 a common sales tax law shall be applicable to all local tax authorities. If the  
18 regulation is amended, then that regulation as amended shall be applicable to both  
19 the state and to local taxing authorities notwithstanding any prior construction of  
20 ~~such~~ the law.

21 \* \* \*

22 (4)(a) No regulatory action of the Department of Revenue concerning a  
23 common sales tax law shall be applicable to local tax authorities unless ~~such~~ the  
24 regulatory action is proposed and adopted in accordance with the provisions of this  
25 Paragraph. The procedure provided for in this Paragraph shall be specifically  
26 applicable to the following regulatory actions:

27 (i) ~~Regulations in effect on July 1, 2003, for which a written request for an~~  
28 ~~amendment has been received as provided for in Paragraph (2) of this Subsection.~~



1 B. The local ordinance shall contain the following:

2 \* \* \*

3 ~~(6) Optional exclusions or exemptions allowed by state sales and use tax law,~~  
4 ~~adopted by the local ordinance pursuant to state law.~~

5 ~~(7)~~ Exclusions and exemptions adopted pursuant to legislation enacted ~~under~~  
6 pursuant to Article VI, Section 29(D)(1) of the Constitution of Louisiana, but not  
7 allowed as an exclusion or exemption from state sales and use tax.

8 ~~(8)~~(7) Penalty, interest, or attorney fees due on the sales and use tax. The  
9 amount of ~~such~~ the penalty, interest, and attorney fees shall be limited as provided  
10 by law, including relevant jurisprudence, until ~~such~~ the statute or jurisprudence is  
11 changed.

12 \* \* \*

13 §337.6. Definitions

14 \* \* \*

15 B. The words, terms, and phrases used in this Chapter shall have the same  
16 meaning ascribed to them as provided for in ~~R.S. 47:301~~ Chapter 2 of this Subtitle,  
17 unless the context clearly indicates a different meaning, except to the extent  
18 expressly limited in that Section.

19 \* \* \*

20 §337.8. Prohibited exemptions; specific application required

21 \* \* \*

22 B.(1) No exemption from state sales and use tax enacted or granted after July  
23 1, 2003, and before January 1, 2025, shall be applicable to the sales and use tax  
24 imposed by local taxing authorities unless the exemption expressly states within its  
25 statutory language that it applies to sales and use taxes imposed by local taxing  
26 authorities.

27 (2) Any exemption enacted after July 1, 2003, that ~~expressly states within~~  
28 ~~its statutory language that it applies to sales and use taxes imposed by local taxing~~

1 authorities or any taxing authority shall be effective as provided in the Act, and shall  
2 be added to this Chapter by the Law Institute pursuant to R.S. 47:337.87.

3 \* \* \*

4 §337.13. Collection of sales and use taxes by political subdivisions

5 A. Any sales and use tax levied by taxing authorities located within a single  
6 parish ~~may~~ shall be collected by a single tax collector for that parish or a central  
7 collection commission in accordance with R.S. 47:337.14.

8 \* \* \*

9 §463.8. Antique license plates and license plates for antique motor vehicles and  
10 motorcycles

11 \* \* \*

12 B.(1)

13 \* \* \*

14 (b)(i) ~~Except as provided in Item (ii) of this Subparagraph, after~~ From  
15 August 15, 1999, through June 30, 2019, and beginning January 1, 2025, and  
16 thereafter, the fee for issuing such special plates for antique motor vehicles or  
17 motorcycles shall be a one-time fee of twenty-five dollars and a one-time fee of fifty  
18 dollars for the personalized prestige plates.

19 (ii) ~~After June 30, 2019,~~ Beginning July 1, 2019, through December 30,  
20 2024, the fee for issuing special plates for antique motor vehicles which qualify for  
21 the sales and use tax exemption in R.S. 47:6040 shall be one thousand dollars.

22 \* \* \*

23 (3) The fee for transferring a special license plate for an antique motor  
24 vehicle or an antique license plate to a subsequent owner of the vehicle shall be three  
25 dollars. ~~Beginning July 1, 2019, the fee for transferring a license plate for an antique~~  
26 ~~motor vehicle or an antique license plate to a subsequent owner of the vehicle for a~~  
27 ~~motor vehicle that qualifies for the sales and use tax exemption in R.S. 47:6040 shall~~  
28 ~~be one thousand dollars.~~

29 \* \* \*

1 §6001. Antique airplanes and certain other aircraft

2 A. ~~No tax imposed by the state or by any parish, municipality, school board,~~  
3 ~~or any political subdivision of the state shall be imposed on antique airplanes which~~  
4 ~~are maintained by private collectors and not used for commercial purposes, and no~~  
5 ~~personal property tax shall be imposed on any aircraft weighing less than six~~  
6 ~~thousand pounds which is owned by a private individual and not used for~~  
7 ~~commercial or profit making purposes. The exemption from local taxes contained~~  
8 ~~in this Section is granted notwithstanding the provisions of R.S. 47:302, and such~~  
9 ~~exemption shall apply to any sales and use tax levied by any local governmental~~  
10 ~~subdivision or school board.~~

11 \* \* \*

12 Section 6. R.S. 51:1286 is hereby amended and reenacted to read as follows:

13 §1286. Sales and use tax

14 A. In order to provide funds for the purpose of assisting the state in the  
15 promotion of tourism, ~~the district is hereby authorized, to levy and collect a sales and~~  
16 ~~use tax not to exceed three one hundredths of one percent, said tax to be effective on~~  
17 ~~or after July 1, 1990~~ after allocation of money to the bond Security and Redemption  
18 Fund as provided in Article VII, Section 9(B) of the Constitution, the treasurer shall  
19 deposit in and credit to the district, three one hundredths of one percent of the avails  
20 of the tax imposed by R.S. 47:331.

21 B. ~~The tax so authorized shall be imposed by ordinance adopted by the~~  
22 ~~district without the need of an election and shall be levied upon the sale at retail, the~~  
23 ~~use, the lease or rental, the distribution, the consumption, and the storage for use or~~  
24 ~~consumption of tangible personal property, and on sales of services in the state of~~  
25 ~~Louisiana, as now or hereafter defined in and as provided by Chapter 2 of Subtitle~~  
26 ~~H of Title 47 of the Louisiana Revised Statutes of 1950, subject to the exemptions~~  
27 ~~and suspensions of exemptions to the same extent that such exemptions and~~  
28 ~~suspensions of exemptions now or hereafter apply to the tax levied in R.S. 47:331.~~

1           ~~€.(1)~~B.(1) The proceeds of the tax herein authorized shall be irrevocably  
2 pledged and dedicated for the purposes and in the order of priority as provided in  
3 Paragraph (2) of this Subsection.

4           (2)(a) For paying costs annually incurred that are associated with the levy  
5 and collection of the sales tax authorized by this Subpart.

6           (b) To transfer such amounts as may be determined by the district to the  
7 Department of Culture, Recreation and Tourism for the promotion of the state's  
8 tourism industry through the purchase of media advertisement, including but not  
9 limited to newspaper, magazine, billboard, radio, and television advertisement.

10          (c) To transfer such amounts as may be determined by the district to the  
11 Department of Culture, Recreation and Tourism to assist the state in the promotion  
12 of tourism. Provided that any funds used by the department for the purchase of in-  
13 state media advertisement shall not exceed ten percent of all funds used for the  
14 purchase of media advertisement, and that such expenditures are consistent with the  
15 office of tourism's strategic plan for marketing.

16          (4) Any expenditure of funds by the Department of Culture, Recreation and  
17 Tourism from amounts transferred by the district in accordance with Paragraphs (1)  
18 and (2) of this Subsection shall be by annual appropriation by the legislature and  
19 shall be consistent with the tourism strategic plan.

20          ~~D.C.~~ C. The district may contract with the state for the collection of said sales  
21 and use taxes under such terms and conditions as it may deem appropriate, and may  
22 adopt such rules and regulations pursuant thereto regarding the enforcement and  
23 collection of the tax authorized by this Section.

24          Section 7. Part V of Chapter 3 of Title 40 comprised of R.S. 40:582.1 through 582.7,  
25 R.S. 47:9, 301(4)(m) and (n), (30) and (31), 301.1(B)(2)(e) and (f) and (F), 301.2, 302(F)  
26 through (J), (L) through (T), and (X) through (CC), 305(D)(3) through (6), 305.9, 305.13  
27 through 305.18, 305.24 through 305.26, 305.28, 305.30, 305.33, 305.36, 305.37, 305.40  
28 through 305.44, 305.46, 305.47, 305.49, 305.50(E) and (F), 305.52 through 305.54, 305.56  
29 through 305.68, 305.70, 305.71, 305.73(A)(5) and (6), (E), and (F), 305.74 through 305.80,

1 306(A)(3), (6), and (7), and (D), 315.1 through 315.3, 315.5, 321(E) through (Q), 321.1(E),  
 2 (F), (I), and (J), 331(F) through (W), 337.2(A)(2) and (B)(3)(e) through (h), 337.4(B)(4) and  
 3 (8), 337.5(A)(1)(e), 337.10 through 337.10.2, 337.11.1, 337.11.2, 337.11.4, 337.18(A)(3),  
 4 337.23(C)(1)(a)(ii), 338.1(B), 340(G)(6)(d), 6003, and 6040, and Chapter 10 of Title 51 of  
 5 the Louisiana Revised Statutes of 1950, comprised of R.S. 51:1301 through 1316 are hereby  
 6 repealed in their entirety.

7 Section 8. The Louisiana State Law Institute is hereby authorized and directed to  
 8 review all statutes modified or repealed by this Act and make the necessary changes to the  
 9 Uniform Local Sales Tax Code in accordance with R.S. 47:337.87.

10 Section 9. The provisions of this Act shall be applicable to taxable periods beginning  
 11 on and after January 1, 2025.

12 Section 10. This Act shall become effective upon signature by the governor or, if not  
 13 signed by the governor, upon expiration of the time for bills to become law without signature  
 14 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
 15 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
 16 effective on the day following such approval.

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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 10 Original

2024 Third Extraordinary Session

Wright

**Abstract:** Continues the levy of the .45% state sales tax rate; makes suspension of the 2% sales tax exemption for business utilities permanent; repeals various sales and use tax exclusions in favor of establishing exemptions for these same items; repeals certain suspended sales tax exemptions and exclusions; and exempts manufacturing machinery and equipment and prescription drugs from local sales and use taxes.

Present law imposes state sales and use taxes on the sale, use, lease, or rental of tangible personal property pursuant to the following levies in the following amounts:

R.S. 47:302 - 2%  
 R.S. 47:321 - 1%  
 R.S. 47:321.1 - .45%  
 R.S. 47:331 - .97%  
 R.S. 51:1286 - .03%

Present law terminates the imposition of the .45% state sales tax levied pursuant to R.S. 47:321.1 on July 1, 2025.

Proposed law retains present law as it relates to the 3% state sales taxes levied pursuant to R.S. 47:302 and 321. Proposed law repeals expiration of the .45% state sales tax levy that was set to terminate on July 1, 2025, thereby making the .45% levy permanent.

Proposed law repeals the .03% state sales tax levied pursuant to R.S. 51:1286 in favor of increasing the amount of the state sale tax levied in R.S. 47:331 from .97% to 1% and provides that .03% of the avails of that levy shall be allocated to the La. Tourism Promotion District to be used for assisting the state in the promotion of tourism.

Present law provides for a variety of exemptions and exclusions applicable to state sales and use taxes, including an exemption for nonresidential uses of steam, certain water, electric power or energy, natural gas, and certain energy sources (R.S. 47:305(D)(1)(b), (c), (d), (g), and (h), hereinafter "business utilities"). Notwithstanding the general exclusions and exemptions in present law, each levy of sales and use taxes in present law includes or references an exclusive list of exclusions and exemptions that apply during the period beginning July 1, 2018, through June 30, 2025. Present law exempts business utilities from 2.45% of the state's 4.45% sales and use tax during this period.

Proposed law changes present law by making suspension of the 2% sales tax exemption for business utilities permanent thereby exempting business utilities from 2.45% of the state's 4.45% sales and use taxes. Proposed law includes purchases of electric power and natural gas by paper or wood products manufacturing facilities in the category of utilities subject to 2% of the state tax levied on business utilities.

Present law authorizes dealers who collect sales and use taxes on behalf of the state and locals to deduct and retain 1.05% of the total amount of taxes due for the purpose of compensating the dealer for accounting for and remitting the tax. Further authorizes municipalities to pay compensation to sales tax dealer in an amount designated by the governing body.

Proposed law repeals present law.

### **Retained Exclusions, Exemptions, Rebates, and Credits**

Present law provides for a variety of exemptions and exclusions applicable to state sales and use taxes. Further provides for various rebates, refunds, and also provides for alternate reporting methods.

Proposed law retains the following exclusions and exemptions:

- (1) Food for home consumption  
(R.S. 47:305(D)(1)(n) through (r) and Article VII, § 2.2 of the Constitution)
- (2) Natural gas, electricity, and water used for residential purposes  
(Article VII, §2.2 of the Constitution)
- (3) Prescription drugs for state sales taxes (Article VII, §2.2 of the Constitution)
- (4) Gasoline and other motor fuels subject to the state excise tax on fuel  
(Article VII, §27 of the Constitution)
- (5) Purchases by Pari-Mutuel Horse Racetracks (R.S. 4:168)
- (6) Purchases by Off-Track Wagering Facilities (R.S. 4:227)



- (7) Any transaction by a nonprofit electric cooperative that is exempt from tax (R.S. 12:425)
- (8) Purchases by Louisiana Insurance Guaranty Association (R.S. 22:2065)
- (9) Purchases by a Public Trust Cooperatives (R.S. 38:2212.4)
- (10) Sales of tangible personal property and services at certain public facilities (R.S. 39:467 and 468)
- (11) Isolated or occasional sales of tangible personal property by a person not engaged in such business (R.S. 47:301(1) and (10)(c)(ii)(bb))
- (12) Installation charges on tangible personal property (R.S. 47:301(3)(a))
- (13) Manufacturer's rebates on a new motor vehicle (R.S. 47:301(3)(e) and (13)(b))
- (14) "Sales or Cost Price" of Refinery Gas (R.S. 47:301(3)(f) and(13)(d))
- (15) The cost price for the printing of a news publication (R.S. 47:301(3)(h))
- (16) Leases or rentals of railroad rolling stock (R.S. 47:301(4)(k)), rail rolling stock sold or leased in La. (R.S. 47:305.50(E)(1)), and parts or services used in the fabrication, modification, or repair of rail rolling stock (R.S. 47:305.50(E)(2)).
- (17) Sales of room rentals by a homeless shelter (R.S. 47:301(6)(c))
- (18) Rentals or leases of certain oilfield property for re-lease or re-rental (R.S. 47:301(7)(b))
- (19) Leases or rentals by a short-term equipment rental dealer for the purpose of re-lease or re-rental (R.S. 47:301(7)(m))
- (20) Tangible personal property for resale (R.S. 47:301(10)(a)(i))
- (21) Sales of food by a youth-serving organization chartered by the Congress of the U.S. (R.S. 47:301(10)(h))
- (22) Tangible personal property sold or donated to a food bank (R.S. 47:301(10)(j) and (18)(a)(i))
- (23) Sales or purchases of fire-fighting equipment by a volunteer fire department (R.S. 47:301(10)(o))
- (24) An article traded in on the purchase of tangible personal property (R.S. 47:301(13)(a))
- (25) Sales, (R.S. 47:301(14)(b)(i)), but only of admissions to an athletic and entertainment event held for or by an elementary or secondary school and membership fees or dues of a nonprofit, civic association
- (26) The exclusion for surface preparation, painting, and coating fixed or rotary wing aircraft and certified transport category aircraft registered outside of this state (R.S. 47:301(14)(g)(iv))
- (27) Funeral directing services (R.S. 47:301(14)(j))

- (28) Stocks, bonds, notes, and other obligations or securities (R.S. 47:301(16)(b)(i))
- (29) Sales of platinum, gold, and silver bullion, that is valued solely upon its precious metal content, whether in coin or ingot form (R.S. 47:301(16)(b)(ii)(aa))
- (30) Sales of certain numismatic coins (R.S. 47:301(16)(b)(ii)(bb) and (cc))
- (31) Work product of certain professionals (R.S. 47:301(16)(e))
- (32) Factory built homes (R.S. 47:301(16)(g))
- (33) Other constructions permanently attached to the ground (R.S. 47:301(16)(l))
- (34) Purchases of Certain Custom Computer Software (R.S. 47:301(22))
- (35) Any advertising service rendered by an advertising business (R.S. 47:302(D))
- (36) Helicopters Leased for Use in the Extraction, Production, or Exploration for Oil, Gas, or Other Minerals (R.S. 47:302.1)
- (37) Use of a motor vehicle in Louisiana by a member of the active duty military (R.S. 47:303(A)(3)(a) and 305.48)
- (38) Credit for sales and use taxes paid to another state on tangible personal property imported in La. (R.S. 47:303(A)(3)(a))
- (39) Sales of Gasoline (not subject to motor fuels tax) (R.S. 47:305(D)(1)(a))
- (40) Boats, Vessels, and Other Water Craft as Demonstrators (R.S. 47:303(D)(1), R.S. 47:305(D)(1)(i) & (H))
- (41) Sale and purchase of electricity (R.S. 47:305(D)(1)(d)) for use in production activity subject to the payment of state severance tax on production from a stripper well (R.S. 47:633(7)(c)(i) and (ii)(aa) and (bb))
- (42) Trucks, automobiles, aircraft, and boats, vessels, or other water craft withdrawn from stock or kept in dealer inventory and used as demonstrators (R.S. 47:305(D)(1)(i))
- (43) Sales or use of a meal by an educational institution, medical facility, mental institution, and an occasional meal furnished by an educational, religious, or medical organization (R.S. 47:305(D)(2))
- (44) Transactions in interstate commerce and tangible personal property imported into this state, or produced or manufactured in this state, for export (R.S. 47:305(E))
- (45) Repairs and materials used on drilling rigs and equipment used exclusively for exploration of development of minerals (R.S. 47:305(I))
- (46) Ships, vessels, barges, and related supplies (R.S. 47:305.1)
- (47) Property purchased for exclusive use outside the state (R.S. 47:305.10)
- (48) Leases or rentals of vessels for use in offshore mineral production or the provision of services to those engaged in mineral production (R.S. 47:305.19)
- (49) Purchases of fishing vessels, supplies, fuels, lubricants, and repairs for the vessels of licensed commercial fishermen (R.S. 47:305.20)

- (50) Sales or purchases by sheltered workshops or supported employment providers (R.S. 39:1604.4 and R.S. 47:305.38)
- (51) Sales of butane, propane, or other liquified petroleum gases for private, residential consumption (R.S. 47:305.39)
- (52) Freight cars, piggyback trailers, and rail rolling stock, and railroad ties (R.S. 47:305.45 and 305.50(F))
- (53) A truck and trailer if used at least eighty percent of the time in interstate commerce (R.S. 47:305.50(A))
- (54) Motor Vehicles Used by Those with Orthopedic Disabilities (R.S. 47:305.72)
- (55) Fiber-Optic Cable Equipment Rebate (R.S. 47:305.73)

### **Medical Devices, Equipment, and other Drugs**

Proposed law repeals various individual exemptions and exclusions related to purchases of medical devices, equipment, and drugs in favor of enacting a consolidated exemption (R.S. 47:305.2) applicable to *both state and local sales and use taxes* related to medical devices, equipment, and drugs. The exemptions and exclusions repealed in proposed law but included in the consolidated exemption established in R.S. 47:305.2 as follows:

- (1) Purchase, lease, and sale of services by free hospitals (R.S. 47:301(7)(e), (10)(p), and (18)(c))
- (2) Sale, lease or rental of tangible personal property under Medicare (R.S. 47:301(7)(i) and (10)(u))
- (3) Sales of human-tissue transplants (R.S. 47:301(10)(d))
- (4) Drugs prescribed by a physician or dentist (R.S. 47:305(D)(1)(j))

Proposed law *requires* drugs prescribed by a physician, dentist, or other person authorized to prescribe drugs in this state to be exempt from *state and local sales and use taxes*.

- (5) Orthotic devices, including prescription eyeglasses and contact lenses, wheelchairs and lifts, and prosthetic devices as prescribed by a physician, optometrist, or licensed chiropractor for personal use (R.S. 47:305(D)(1)(k)(i) and(ii))
- (6) Sales of ostomy, colostomy, and ileostomy devices and equipment (R.S. 47:305(D)(1)(l))
- (7) Sales of medical devices used exclusively by the patient in the medical treatment of various diseases or administered exclusively to the patient by a physician, nurse, or other health care provider or facility, in the treatment of diseases under the supervision of and prescribed by a physician (R.S. 47:305(D)(1)(s))
- (8) Sales of orthotic devices, prosthetic devices, prostheses and restorative materials utilized by or prescribed by a dentist (R.S. 47:305(D)(1)(t))
- (9) Adaptive driving equipment and motor vehicle modification (R.S. 47:305(D)(1)(u))

- (10) Procurement and administration of cancer and related chemotherapy prescriptions drugs used exclusively by the patient (R.S. 47:305(D)(4)(b))
- (11) Sale of prescription drugs under the pharmaceutical vendor program for Titles XIX and XXI of the Social Security Act administered by the La. Dept. of Health (R.S. 47:305(D)(5)(a))
- (12) Purchase or rental of kidney dialysis machines, parts, materials, and supplies for home use under a physician's prescription (R.S. 47:305(G))
- (13) Sales of insulin (R.S. 47:305.2)
- (14) Pharmaceutical samples distributed in La. ( R.S. 47:305.47)
- (15) Purchase, Lease or Repair of certain capital equipment and computer software of qualifying radiation therapy treatment centers (R.S. 47:305.64)
- (16) Procurement and administration of prescription drugs administered exclusively in certain medical clinics (R.S. 47:305.76)
- (17) Purchases and leases of durable medical equipment paid by or under provisions of Medicare (R.S. 47:315.3)

### **Agricultural Inputs and other Agricultural Tangible Personal Property**

Proposed law repeals various individual exemptions and exclusions related to farming and agriculture in favor of enacting a consolidated exemption (R.S. 47:305.3) applicable to *both state and local sales taxes* related to agricultural inputs, agricultural machinery and equipment, and other agricultural tangible personal property, provided that the purchase is directly related to the business activities of the purchaser. The exemptions and exclusions repealed in proposed law but included in the consolidated exemption established in R.S. 47:305.3 as follows:

- (1) Sales of raw agricultural commodities (R.S. 47:301(10)(c)(i)(aa)(II) and (e), and 305(A)(3) and (4)(b)(i) and (iii))
- (2) Pharmaceuticals administered to livestock for agricultural purposes (R.S. 47:301(16)(f))
- (3) Sales of farm products direct from the farm (R.S. 47:305(A)(1))
- (4) Livestock sold at market and racehorses claimed at races in La. (R.S. 47:305(A)(2))
- (5) Feed and feed additives for animals held for business purposes (R.S. 47:305(A)(4)(a))
- (6) Materials used in the production or harvesting of crawfish (R.S. 47:305(A)(5)(a))
- (7) Bait and feed used in the production or harvesting of crawfish (R.S. 47:305(A)(5)(b))
- (8) Materials used in the production or harvesting of catfish (R.S. 47:305(A)(6))
- (9) Farm products produced and used by the farmers (R.S. 47:305(B))

- (10) Sales of fertilizers and containers to farmers (R.S. 47:305(D)(1)(f))
- (11) Sales of seeds for planting crops (R.S. 47:305.3 and 301(10)(e))
- (12) Sales of utilities to commercial farmers for on-farm storage (R.S. 47:305.4)
- (13) Sales of pesticides for agricultural purposes (R.S. 47:305.8)
- (14) Purchases of feed, seed, and fertilizer by student farmers (R.S. 47:305.24)
- (15) First \$50,000 of the sales price of certain rubber tire and irrigation farm equipment (R.S. 47:305.25(A)(1-3) and 337.10(B))

Proposed law increases the amount of the exemption for farm equipment from the first \$50,000 of the sales price to the first \$150,000 of the sales price.

- (16) First \$50,000 of the sales price of new farm equipment used in poultry production (R.S. 47:301(13)(c))

Proposed law retains the present law limitation on the amount of the exemption for purchases of new farm equipment used in poultry production at the first \$50,000 of the sales price.

- (17) Sale of polyroll tubing (R.S. 47:305.25(A)(6) and 305.63)
- (18) Sales of certain fuels used for farm purposes (R.S. 47:305.37)
- (19) Sales of agricultural fencing materials to commercial farmers (R.S. 47:305.80)

### **Manufacturing Machinery and Equipment**

Proposed law repeals various *exclusions* related to manufacturing machinery and equipment (MM&E) in favor of enacting a consolidated *exemption* (R.S. 47:305.5) applicable to *both state and local sales taxes* related to purchases of (MM&E) for various industries including utilities, wood manufacturers and loggers, and news publications. The exclusions repealed in proposed law but included in the consolidated exemption established in R.S. 47:305.5 are as follows:

- (1) Purchases of MM &E (R.S. 47:301(3)(i), (13)(k), (28)(a), and 337.10(I))
- (2) Purchases of Certain machinery and equipment used to produce a news publication (R.S. 47:301(3)(i)(ii)(aa)(I)(eee))
- (3) Purchases of consumables by paper and wood manufacturers and loggers (R.S. 47:301(3)(k))
- (4) Electricity for chlor-alkali manufacturing process (R.S. 47:301(10)(c)(ii)(aa))
- (5) Purchases of machinery and equipment by certain utilities (R.S. 47:301(16)(o)(i) and (ii))

### **Schools and Educational Materials**

Proposed law repeals various individual *exclusions* related to sales of educational materials to and by elementary and secondary schools purchases of food items for school lunch or

breakfast programs by certain schools in favor of enacting a consolidated *exemption* (R.S. 47:305.6) applicable to *both state and local sales taxes* related to sales of educational materials and purchases of food items for school lunch or breakfast programs. The exclusions repealed in proposed law but included in the consolidated exemption established in R.S. 47:305.6 are as follows:

- (1) Sales to and by certain elementary and second schools for educational materials and equipment used for classroom instruction (R.S. 47:301(7)(f),(10)(q) and(18)(e))
- (2) Purchases of food items for school lunch or breakfast programs by nonpublic elementary or secondary schools (R.S. 47:301(10)(dd))
- (3) Donations to certain schools (R.S. 47:301(18)(a)(i))

Present law provides for an exemption for the sale of admissions to athletic and entertainment events held for or by parochial and private elementary and secondary schools. Proposed law retains present law.

### **Intergovernmental and Governmental Transactions**

Proposed law repeals various individual *exclusions* related to purchases and sales by local and state governments as well as the Dept. of Military in favor of enacting a consolidated *exclusion* (R.S. 47:305.7) applicable to *both state and local sales taxes* related to these sales and purchases. The exclusions repealed in proposed law but included in the consolidated exemption established in R.S. 47:305.7 are as follows:

- (1) Transactions related to the construction or overhaul of U.S. Navy vessels (R.S. 47:301(7)(c))
- (2) Purchases by State and Local Governments (R.S. 47:301(8)(c))
- (3) Sales to the U.S. government and its agencies (R.S. 47:301(10)(g))
- (4) Sales of tangible personal property by the La. Military Dept. (R.S. 47:301(10)(ff))
- (5) Sales or purchases of equipment used in firefighting by bona fide volunteer and public fire departments (R.S. 47:301(10)(o))
- (6) Sales by thrift shops and military installations (R.S. 47:305.14(A)(4))
- (7) Purchases made under the Supplemental Nutrition Assistance Program (SNAP) through WIC Program vouchers (R.S. 47:305.46)

Proposed law establishes rules, for purposes of collecting or remitting sales or use taxes to the appropriate taxing jurisdictions, on sales of tangible personal property, digital products, and services, for determining the proper jurisdiction to which the sale is sourced. The provisions of proposed law do not affect the imposition or computation of sales or use tax on leases or rentals based on a lump-sum or accelerated basis, or on the acquisition of property for lease. Proposed law includes exceptions to the general sourcing rules for vehicles and telecommunications services.

Proposed law establishes rules for the collection of sales tax on the sales price of bundled transactions if any product included in the bundled transaction would be taxable if sold separately. Proposed law defines a "bundled transaction" as the retail sale of two or more products where the products are otherwise distinct and identifiable and the products are sold for one non-itemized price. In order to show whether a retail sale consisted of one or more

distinct and identifiable products and whether the products were sold for one non-itemized price, a seller shall maintain copies of invoices, service agreements, contracts, catalogs, price lists, rate cards, and other sales-related documents given to, or made available to, the purchaser.

Proposed law excepts the following transactions from the requirements of proposed law:

- (1) The sale of any products in which the sales price varies or is negotiable based on the selection by the purchaser of the products included in the transaction.
- (2) Retail sales of tangible personal property or a digital product and a service where the true object of the transaction is the service and the tangible personal property or digital product is essential to the use of the service, and is provided exclusively in connection with the service.
- (3) Retail sales of multiple services where one service is essential to the use or receipt of a second service and the first service is provided exclusively in connection with the second service, and the true object of the transaction is the second nontaxable service. Further provides that the true object exception only applies to transactions that include a service and shall not apply to transactions that only include tangible personal property or digital products.
- (4) Transactions that include taxable products and nontaxable products and the sales price of the taxable products is de minimis. Sellers shall use the full term of a service contract to determine if the taxable products are de minimis. The term "de minimis" means the sales price of the taxable products is 10% or less of the total sales price of the bundled products.
- (5) Retail sales of exempt tangible personal property and taxable tangible personal property where the transaction includes food and food ingredients, drugs, durable medical equipment, mobility enhancing equipment, over-the-counter drugs, prosthetic devices or medical supplies and the sales price of the taxable tangible personal property is fifty percent or less of the total sales price of the bundled products.

### **Repealed exclusions, exemptions, rebates, and credits**

Present law provides for a variety of exemptions and exclusions applicable to state sales and use taxes. Further provides for various rebates, refunds, and also provides for alternate reporting methods.

Proposed law repeals the following exclusions, exemptions, rebates, and alternative reporting methods:

- (1) Separately stated labor charges on property repaired out-of-state (R.S. 47:301(3)(b))
- (2) Installation of oil field board roads as provided in R.S. 47:301(3)(c)
- (3) Certain interchangeable components; optional method to determine (R.S. 47:301(3)(d))
- (4) Manufacturer rebates paid directly to a dealer (R.S. 47:301(3)(g) and (13)(e))
- (5) Sales of room rentals by a camp or retreat facility owned by a nonprofit organization (R.S. 47:301(6)(b))

- (6) Rental or Purchase of Airplanes or Airplane Equipment and Parts by La. Domiciled Commuter Airlines (R.S. 47:301(7)(d) and R.S. 47:301(10)(k))
- (7) Vehicle rentals to a warranty customer (R.S. 47:301(7)(h))
- (8) Property used in the manufacture, production, or extraction of unblended diesel (R.S. 47:301(7)(j), (10)(y), and (18)(k))
- (9) Leases or rentals of a crane and related equipment with an operator (R.S. 47:301(7)(k))
- (10) Leases or rentals of pallets used in packaging products produced by a manufacturer (R.S. 47:301(7)(l))
- (11) Purchases by a regionally accredited independent educational institution (R.S. 47:301(8)(b))
- (12) Purchases of certain bibles, songbooks, or literature by certain religious institutions for instructional classes (R.S. 47:301(8)(d))
- (13) Purchases by the Society of the Little Sisters of the Poor (R.S. 47:301(8)(e))
- (14) Purchases by a nonprofit entity that sells donated goods (R.S. 47:301(8)(f))
- (15) Purchases of property for lease or rental (R.S. 47:301(10)(a)(iii) and (18)(a)(iii))
- (16) Sales through a coin-operated vending machine (R.S. 47:301(10)(b)(i))
- (17) Purchases of school buses that are new or less than five years old (R.S. 47:301(10)(i))
- (18) Pollution control devices and systems (R.S. 47:301(10)(l))
- (19) Pelletized paper waste used in a permitted boiler (R.S. 47:301(10)(n))
- (20) Sales of telephone directories by advertising companies (R.S. 47:301(10)(t) and (18)(h))
- (21) Sales of cellular telephones and electronic accessories (R.S. 47:301(10)(v), (13)(g) and (h), and (18)(i))
- (22) Purchases of butane, propane, and liquefied petroleum gas by residential consumers (R.S. 47:301(10)(x))
- (23) Donation of toys (R.S. 47:301(10)(aa)(i) and (18)(m))
- (24) Purchases by a private postsecondary academic degree-granting institution (R.S. 47:301(10)(cc) and (18)(n))
- (25) Purchases of storm shutter devices (R.S. 47:301(10)(ee) and (18)(o))
- (26) Sales of anthropogenic carbon dioxide used in qualified tertiary recovery projects (R.S. 47:301(10)(gg) and (18)(p))
- (27) Qualifying events providing La. heritage, culture, crafts, art, food, and music sponsored by a domestic nonprofit organization (R.S. 47:301(10)(hh) and (14)(k), R.S. 47:305.14(A)(1)(b))



- (28) Sales of marijuana recommended for therapeutic use (R.S. 47:301(10)(ii))
- (29) Specialty Mardi Gras items purchased or sold by certain organizations (R.S. 47:301(13)(l), R.S. 47:305.40)
- (30) Admissions charges to athletic or entertainment events of colleges and universities (R.S. 47:301(14)(b)(i)(aa))
- (31) Admissions to Museums (R.S. 47:301(14)(b)(ii))
- (32) Admissions to places of amusement at camp and retreat facilities (R.S. 47:301(14)(b)(iv))
- (33) Labor, materials, services, and supplies used for the repair, renovation, or conversion of drilling rig machinery and equipment which become component parts of a drilling rig used exclusively for exploration or development of minerals (R.S. 47:301(14)(g)(iii))
- (34) Certain geophysical survey information and data analyses (R.S. 47:301(16)(b)(iii))
- (35) Vehicle repairs subsequent to warranty lapse (R.S. 47:301(16)(c))
- (36) Purchases of certain custom computer software (R.S. 47:301(16)(h), and (23))
- (37) Materials used in the collection of blood (R.S. 47:301(16)(j))
- (38) Purchases by motor vehicle manufacturers (R.S.47:301(16)(m))
- (39) Purchases by glass manufacturers (R.S. 47:301(16)(m)(i))
- (40) Purchases of machinery and equipment by owners of certain radio stations (R.S. 47:301(16)(n))
- (41) Sales of newspapers (R.S. 47:301(16)(p))
- (42) Use tax on residue or byproducts consumed by the producer (R.S. 47:301(18)(d)(ii))
- (43) Miscellaneous telecommunications services (R.S. 47:301.1(B)(2)(a), (b), (c), (e) and (f))
- (44) Telecommunications services through coin-operated telephones (R.S. 47:301.1(B)(2)(d))
- (45) Interstate telecommunications services purchased by defined call centers (R.S. 47:301.1(D))
- (46) Purchases of off-road vehicles by certain buyers domiciled in another state (R.S.47:303(E)(1), R.S. 47:304(A), R.S. 47:305.56)
- (47) Cash-basis sales tax reporting and remitting for health and fitness club membership contracts (R.S. 47:303(F)). Repeal in proposed law applicable to the local sales tax base.
- (48) Sales of admission to entertainment events by a Little Theater organization (R.S. 47:305.6)

- (49) Sales of admission to musical performances sponsored by a nonprofit organization (R.S. 47:305.7)
- (50) Sales of admissions to entertainment events sponsored by domestic nonprofit charitable, religious, and educational organizations (R.S. 47:305.13)
- (51) Sales of admissions, parking fees, and sales of tangible personal property at events sponsored by domestic, civic, educational, historical, charitable, fraternal, or religious nonprofit organizations (R.S. 47:305.14(A)(1))
- (52) Sales and purchases by certain organizations that provide training for blind persons (R.S. 47:305.15(B))
- (53) Cable television installation and repair services (R.S. 47:305.16)
- (54) Receipts from coin-operated washing and drying machines in commercial laundromats (R.S. 47:305.17)
- (55) Sales of admissions and parking fees at fairs and festivals sponsored by nonprofit organizations (R.S. 47:305.18)
- (56) New vehicles furnished by a dealer for driver-education programs (R.S. 47:305.26)
- (57) Sales of gasohol (R.S. 47:305.28)
- (58) Construction materials and operating supplies for certain nonprofit retirement centers (R.S. 47:305.33)
- (59) Purchases or leases of motor vehicles for re-lease or re-rent by qualified lessors (R.S. 47:305.36)
- (60) Specialty Mardi Gras items purchased or sold by certain organizations (R.S. 47:305.40)
- (61) Purchases and sales by Ducks Unlimited and Bass Life (R.S. 47:305.41)
- (62) Tickets to dance, drama, or performing arts presentations by certain nonprofit organizations (R.S. 47:305.42)
- (63) Purchases by and sales by certain nonprofit organizations dedicated to the conservation of fish and migratory waterfowl (R.S. 47:305.43)
- (64) Raw materials used in the printing process (R.S. 47:305.44)
- (65) Catalogs distributed in La. (R.S. 47:305.49)
- (66) Certain contract carrier buses used 80% in interstate commerce (R.S. 47:305.50(B))
- (67) Sickle cell disease organizations (R.S. 47:305.53)
- (68) Annual La. sales tax holiday (R.S. 47:305.54)
- (69) Sales of original one-of-a-kind works of art sold in certain locations (R.S. 47:305.57)
- (70) Hurricane preparedness La. sales tax holiday (R.S. 47:305.58)

- (71) Beginning October 1, 2021, sales of construction materials for charitable construction (R.S. 47:305.59)
- (72) Purchase of certain water conservation equipment for use in the Sparta Groundwater Conservation District (R.S. 47:305.61)
- (73) Eligible purchases made during the second amendment sales tax holiday (R.S. 47:305.62)
- (74) Sales or purchases by a council on aging (R.S. 47:305.66)
- (75) Purchases of construction materials by Hands n New Orleans and Rebuilding Together New Orleans Covenant Partners (R.S. 47:305.65)
- (76) Purchases of breastfeeding items (R.S. 47:305.67)
- (77) Purchases by the Fore!Kids Foundation (R.S. 47:305.68)
- (78) Sales of construction materials to the Make it Right Foundation (R.S. 47:305.70)
- (79) Sales of construction materials to the St. Bernard Project, Inc. (R.S. 47:305.71)
- (80) Purchases of tangible personal property pursuant to the sales tax holiday (R.S. 47:305.74)
- (81) Purchases of feminine hygiene products, diapers, or both for personal use (R.S. 47:305.75)
- (82) Hurricane impacted agricultural fencing materials rebate (R.S. 47:305.77)
- (83) State sales tax paid on property destroyed in a natural disaster (R.S. 47:315.1)
- (84) Sales tax collected by qualified charitable institutions (R.S. 47:315.5)
- (85) Antique airplanes held by private collectors and not used for commercial purposes (R.S. 47:6001)
- (86) Sale of certain antique motor vehicles (R.S. 47:6040)
- (87) Refunds for purchases of tangible personal property by international travelers as part of the La. Tax Free Shopping Program (R.S. 51:1301 et seq.)

Present law authorizes, but does not mandate that local governments exempt certain purchases of tangible personal property from sales and use taxes levied by local political subdivisions. Proposed law makes various changes to present law to *require* rather than *authorize* purchases of certain tangible personal property be exempt from sales and use tax levied by local governmental subdivisions.

Proposed law authorizes and directs the La. State Law Institute to review all statutes modified or repealed by proposed law and to make necessary changes to the Uniform Local Sales Tax Code in accordance with R.S. 47:337.87.

Effective upon signature of governor or lapse of time for gubernatorial action and applicable to taxable periods beginning on and after Jan. 1, 2025.

(Amends R.S. 6:662, R.S. 12:425, R.S. 22:2065, R.S. 33:4169(D), R.S. 47:301(3), (4)(i)-(k), (6), (7), (8), (10), (13), (14), (16), (18), and (23)-(29), 301.1(A)(intro. para.), (B)(2)(b)-(d),

(C)(2)(b), (D), and (E), 302(D) 303(B)(intro. para.), (1)(intro. para) and (b)(intro. para.), (3)(b)(ii), and (4), (D)(1), (E), and (F), 303.1(B)(5), 304(A), 305(A), (B), (C), (D)(1), and (E)-(I), 305.2-305.4, 305.6-305.8, 305.10(F), 305.20(A), (C), and (D), 305.50(B)-(D), 305.72(C), 305.73(B)- (D), 306.5(B), 318(A), 321(A) and (C), 322, 331(A)-(C), 332, 337.2(C)(2) and (4)(a) and (b)(i)(aa)(II) and (bb)(II), 337.4(B)(6) and (7), 337.6(B), 337.8(B), 337.13(A), 463.8(B)(1)(b) and (3), and 6001(A), and R.S. 51:1286; Adds R.S. 47: 301(4)(l), 301.3, 301.4, 301.5, 305(J), 305.5, 305.12, and 305.72(D)-(F); Repeals R.S. 40:582.1-582.7, R.S. 47:9, 301(4)(m) and (n), (30) and (31), 301.1(B)(2)(e) and (f) and (F), 301.2, 302(F)-(J), (L)-(T), and (X)-(CC), 305(D)(3)-(6), 305.9, 305.13-305.18, 305.24-305.26, 305.28, 305.30, 305.33, 305.36, 305.37, 305.40-305.44, 305.46, 305.47, 305.49, 305.50(E) and (F), 305.52- 305.54, 305.56-305.68, 305.70, 305.71, 305.73(A)(5) and (6), (E), and (F), 305.74-305.80, 306(A)(3), (6), and (7), and (D), 315.1-315.3, 315.5, 321(E)-(Q), 321.1(E), (F), (I), and (J), 331(F)-(W), 337.2(A)(2) and (B)(3)(e)-(h), 337.4(B)(4) and (8), 337.5(A)(1)(e), 337.10-337.10.2, 337.11.1, 337.11.2, 337.11.4, 337.18(A)(3), 337.23(C)(1)(a)(ii), 338.1(B), 340(G)(6)(d), 6003, and 6040, and R.S. 51:1301-1316)