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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Riley Boudreaux.

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## DIGEST

Present law provides for a sales tax exemption for natural gas and electricity ("electric power or energy"). That exemption has been "suspended" for 3.8 of the 4 cents of state sales tax as follows:

From 2.8 of the 4 cents of state sales tax from July 1, 2004, though June 30, 2009 [R.S. 47:302(R) and 331(P)].

From 1 of the 4 cents of state sales tax for all periods after July 1, 2004 [R.S. 47:321(H)].

Proposed law phases-in the exemption for natural gas and electricity against all 4 cents of the state sales tax as follows:

Exempts against one cent as of January 1, 2006.

Exempts against two cents as of July 1, 2006.

Exempts against three cents as of July 1, 2007.

Exempts against all four cents as of July 1, 2008.

Effective January 1, 2006.

(Amends R.S. 47:331(P)(2); adds R.S. 47:302(T), 321(J), and 331(R))