

First Extraordinary Session, 2005

HOUSE BILL NO. 82

BY REPRESENTATIVE MORRISH

TAX/SALES-USE, STATE: Excludes from the state sales and use tax sales of natural gas and electricity (Item #17)

1 AN ACT

2 To enact R.S. 47:301(10)(aa), relative to the state sales and use tax; to exclude natural gas
3 and electric power or energy from the tax; to provide for an effective date; and to
4 provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 47:301(10)(aa) is hereby enacted to read as follows:

7 §301. Definitions

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

11 * * *

12 (10)

13 * * *

14 (aa) For purposes of the sales and use tax imposed by the state or any
15 political subdivision whose boundaries are coterminous with those of the state, the
16 term "retail sale" or "sale at retail" shall not include the sale or purchase by a
17 consumer of natural gas and electric power or energy.

18 * * *

19 Section 2. This Act shall become effective on July 1, 2006.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument.

Morrish

HB No. 82

Abstract: Excludes from the state sales and use tax sales of natural gas and electricity.

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

- (1) From 2.8 of the 4¢ of state sales tax from July 1, 2004, through June 30, 2009 (R.S. 47:302(R) and 331(P)).
- (2) From 1 of the 4¢ of state sales tax for all periods after July 1, 2004 (R.S. 47:321(H)).

Proposed law excludes natural gas and electricity from all 4¢ of the state sales tax effective July 1, 2006.

Effective July 1, 2006.

(Adds R.S. 47:301(10)(aa))