

(KEYWORD, SUMMARY, AND DIGEST as amended by Senate committee amendments)

TAX/SALES-USE-EXEMPT. Provides that the state sales or use tax shall not apply to consumer purchases from certain dealers of tangible personal property for non-business use on a certain date. (Item #7)

DIGEST

Proposed law provides for a "sales tax holiday" on December 9, 10, and 11, 2005, affecting only the sales tax levied by the state and the Louisiana Tourism Promotion District. Local sales and use taxes will not be affected by the proposed holiday.

The holiday applies to consumers and does not apply to purchases made by businesses. The exemption is not applicable to motor vehicles that will be titled or to items costing more than \$2,500.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Adds R.S. 47:305.54)

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Ways and Means to the original bill.

- 1. Makes sales tax holiday optional and increases it to three days in December.

House Floor Amendments to the engrossed bill.

- 1. Removes non-business use from eligibility requirement in sales tax holiday.
- 2. Removes optional participation by dealers.
- 3. Adds first weekend in August to sales tax holiday beginning in 2006.

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the reengrossed bill.

- 1. Removes the annual August sales tax holiday.
- 2. Excludes business purchases from the sales tax holiday.