

First Extraordinary Session, 2005

HOUSE BILL NO. 40

BY REPRESENTATIVES HAMMETT, MONTGOMERY, PINAC, ARNOLD, CURTIS, DARTEZ, FAUCHEUX, HILL, KENNEY, JANE SMITH, ALARIO, ALEXANDER, ANSARDI, BALDONE, BEARD, BOWLER, BRUCE, BURNS, CAZAYOUX, CRANE, CRAVINS, CROWE, DAMICO, DANIEL, DEWITT, DOERGE, DORSEY, DOVE, DOWNS, DURAND, ERDEY, FANNIN, FARRAR, GALLOT, GEYMANN, GLOVER, GREENE, E. GUILLORY, M. GUILLORY, HARRIS, HOPKINS, HUTTER, JOHNS, KATZ, KENNARD, KLECKLEY, LABRUZZO, LAFLEUR, LAMBERT, LANCASTER, MCDONALD, MCVEA, MORRISH, ODINET, PIERRE, PITRE, M. POWELL, T. POWELL, RITCHIE, ROBIDEAUX, SALTER, SCALISE, SCHNEIDER, SMILEY, GARY SMITH, JACK SMITH, JOHN SMITH, ST. GERMAIN, STRAIN, THOMPSON, TOOMY, TOWNSEND, TRAHAN, TRICHE, TUCKER, WADDELL, WALKER, WALSWORTH, WHITE, WINSTON, WOOTON, AND WRIGHT AND SENATORS ADLEY, AMEDEE, BAJOIE, BARHAM, BOASSO, BROOME, CAIN, CHEEK, CRAVINS, DARDENNE, DUPLESSIS, ELLINGTON, FONTENOT, B. GAUTREAUX, N. GAUTREAUX, HEITMEIER, HINES, HOLLIS, KOSTELKA, LENTINI, MALONE, MARIONNEAUX, MCPHERSON, MICHOT, MOUNT, MURRAY, NEVERS, QUINN, ROMERO, SCHEDLER, SHEPHERD, SMITH, THEUNISSEN, AND ULLO

1 AN ACT

2 To amend and reenact R.S. 47:331(P)(2) and to enact R.S. 47:301(3)(j) and (13)(l), 302(T),  
3 321(J), and 331(R), relative to the state sales and use tax; to provide a reduction in  
4 the rate of the sales tax for sales of natural gas and electricity; to provide for an  
5 effective date; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:331(P)(2) is hereby amended and reenacted and R.S. 47:301(3)(j)  
8 and (13)(l), 302(T), 321(J), and 331(R) are hereby enacted to read as follows:

9 §301. Definitions

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

13 \* \* \*

14 (3)

15 \* \* \*

1           (j) For the purpose of the sales and use taxes imposed by the state or any  
 2           political subdivision whose boundaries are coterminous with those of the state, the  
 3           "cost price" of natural gas for the period July 1, 2006, through December 31, 2008,  
 4           purchased or used by paper or wood products manufacturing facilities shall not  
 5           include any amount in excess of six dollars and twenty cents per MMBtu.

6                                   \*       \*       \*

7                                   (13)

8                                   \*       \*       \*

9           (l) For purposes of the sales and use tax imposed by the state or any political  
 10           subdivision whose boundaries are coterminous with those of the state, the "sales  
 11           price" of natural gas for the period July 1, 2006, through December 31, 2008, sold  
 12           for use by paper or wood products manufacturing facilities shall not include any  
 13           amount in excess of six dollars and twenty cents per MMBtu.

14                                   \*       \*       \*

15           §302. Imposition of tax

16                                   \*       \*       \*

17           T. Notwithstanding any other provision of law to the contrary and  
 18           specifically notwithstanding any provision of Act No. 4 of the 2004 First  
 19           Extraordinary Session which makes any state sales and use tax exemption  
 20           inapplicable, inoperable, and of no effect, the exemption provided for electric power  
 21           or energy shall be applicable, operable, and effective as to the tax levied pursuant to  
 22           the provisions of this Section for the period July 1, 2006, through December 31,  
 23           2008, for the sale, purchase, or use of such electric power or energy by paper or  
 24           wood products manufacturing facilities.

25                                   \*       \*       \*

26           §321. Imposition of tax

27                                   \*       \*       \*



1            R. Notwithstanding any other provision of law to the contrary and  
 2            specifically notwithstanding any provision of Act No. 4 of the 2004 First  
 3            Extraordinary Session which makes any state sales and use tax exemption  
 4            inapplicable, inoperable, and of no effect, the exemption provided for electric power  
 5            or energy shall be applicable, operable, and effective as to all of the tax levied  
 6            pursuant to the provisions of this Section for the period July 1, 2006, through  
 7            December 31, 2008, for the sale, purchase, or use of such electric power or energy  
 8            by paper or wood products manufacturing facilities.

9            Section 2. The secretary of the Department of Revenue is authorized to promulgate  
 10           rules for the administration of the provisions of this Act.

11           Section 3. This Act shall become effective on January 1, 2006.

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 SPEAKER OF THE HOUSE OF REPRESENTATIVES

\_\_\_\_\_  
 PRESIDENT OF THE SENATE

\_\_\_\_\_  
 GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_

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