

ACT No. 48

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 J. 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 the tax levied pursuant to
6 the provisions of this Section for the period July 1, 2006, through December 31,
7 2008, for the sale, purchase, or use of such electric power or energy by paper or
8 wood products manufacturing facilities.

9 * * *

10 §331. Imposition of tax

11 * * *

12 P.

13 * * *

14 (2) For the period July 1, 2004, through ~~June 30, 2009~~ December 31, 2005,
15 the exemptions to the tax levied by this Section for ~~utilities~~ sales of steam, water,
16 electric power, or energy, and natural gas shall be inapplicable, inoperable, and of
17 no effect as to eighty percent of the tax levied by this Section. ~~The term "utilities"~~
18 ~~shall mean sales of steam, water, electric power or energy, and natural gas.~~ Except
19 as provided for in Subsection R of this Section, for the period January 1, 2006,
20 through June 30, 2009, the exemptions to the tax levied by this Section for sales of
21 electric power or energy and natural gas shall be inapplicable, inoperable, and of no
22 effect as to thirty percent of the tax levied by this Section. For the period January
23 1, 2006, through June 30, 2009, the exemptions to the tax levied by this Section for
24 sales of steam and water shall be inapplicable, inoperable, and of no effect as to
25 eighty percent of the tax levied by this Section.

26 * * *

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

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.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____