



1           (a) That the purchaser is engaged in paving or surfacing activities,  
2           including resurfacing activities, which are related to immovable property.

3           (b) That the purchaser will promptly notify the selling dealer when the  
4           purchaser has ceased being engaged in such activities if, and when, such  
5           cessation occurs.

6           (2)(a) No taxing authority shall levy or collect a use tax on the use,  
7           consumption, distribution, or storage for use or consumption of asphalt,  
8           Portland cement, or other tangible personal property of the type used or  
9           consumed, or which is further processed into tangible personal property of the  
10           type used or consumed, in paving or surfacing activities, including resurfacing  
11           activities, which are related to immovable property other than a taxing  
12           authority in the taxing jurisdiction in which the property, whether in its original  
13           or further processed form, is actually used or consumed in paving or surfacing  
14           activities, including resurfacing activities, which are related to immovable  
15           property.

16           (b) However, if any such asphalt, Portland cement, or other tangible  
17           personal property is used or consumed in a manner inconsistent with its  
18           ultimate use or consumption in a paving or surfacing activity, including  
19           resurfacing activity, which is related to immovable property, such property  
20           shall be subject to use taxation in the taxing jurisdiction in which the  
21           inconsistent use by the final owner or user of the property occurs, unless such  
22           property is otherwise exempt or excluded from taxation.

23           (3) When a selling dealer has received from a purchaser the affidavit  
24           provided for in Paragraph (1) of this Subsection, the dealer shall be relieved  
25           from liability for the collection of sales or use tax on property of the type  
26           described in such Paragraph which is sold to such purchaser.

27           Section 2. This Act shall become effective on July 1, 2014.

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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

John Smith (SB 579)

Proposed law prohibits local sales tax authorities from levying a tax on a sale of the following which are to be used or consumed in paving or surfacing activities, including resurfacing activities, which are related to immovable property, if the affidavit below is provided to the seller in advance of the purchase:

- (1) Asphalt.
- (2) Portland cement.
- (3) Any tangible personal property of such type.
- (4) Any tangible personal property which is to be further processed into tangible personal property of the type used or consumed in such activities.

In order to be exempt from tax on such sale, the purchaser must provide to the selling dealer an affidavit reciting both of the following:

- (1) That the purchaser is engaged in paving or surfacing activities, including resurfacing activities, which are related to immovable property.
- (2) That the purchaser will promptly notify the selling dealer when the purchaser has ceased being engaged in such activities if, and when, such cessation occurs.

A selling dealer who has received the affidavit is relieved from liability for the collection of sales or use tax on property.

Proposed law prohibits any local sales tax authority from levying a tax on the use of such property except the tax authority in the taxing jurisdiction in which the property, whether in its original or further processed form, is actually used or consumed in paving or surfacing activities, including resurfacing activities, which are related to immovable property.

However, if any such property is used or consumed in a manner inconsistent with its ultimate use or consumption in such activities it is subject to use taxation in the taxing jurisdiction in which the inconsistent use occurs unless otherwise exempt or excluded from taxation.

Effective July 1, 2014.

(Adds R.S. 47:337.12(D))