SLS 15RS-390

ORIGINAL

2015 Regular Session

SENATE BILL NO. 70

BY SENATOR WALSWORTH

TAX/SALES. Extends until July 1, 2019, certain sales and use tax exemptions and exclusions. (gov sig)

1	AN ACT
2	To amend and reenact R.S. $47:301(10)(z)$ and $(18)(l)$, relative to sales and use taxes; to
3	provide relative to the state sales and use tax exclusion for certain alternative
4	substances used as fuel by manufacturers; to extend the effectiveness of the
5	exclusion; and to provide for related matters.
6	Be it enacted by the Legislature of Louisiana:
7	Section 1. R.S. 47:301(10)(z) and (18)(l) are hereby amended and reenacted to read
8	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	(10) * * * *
15	(z) Solely Notwithstanding any other provision of law to the contrary and
16	solely for the purposes of sales and use taxes levied by the state or any political
17	subdivision whose boundaries are coterminous with those of the state, until July 1 ,

Page 1 of 3 Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

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1 2019, the term "sale at retail" shall not include the sale of any alternative substance 2 when such alternative substance is used as a fuel by a manufacturer. "Alternative 3 substance" means any substance other than oil and natural gas and any product of oil 4 and natural gas. "Alternative substance" shall include petroleum coke, landfill gas, reclaimed or waste oil, unblended biodiesel, or tire-derived fuel, but not coal, lignite, 5 refinery gas, nuclear fuel, or electricity. "Manufacturer" means a person whose 6 7 principal activity is manufacturing and who is assigned by the Louisiana Workforce 8 Commission a North American Industrial Classification System code with the 9 agricultural, forestry, fishing, and hunting Sector 11 or the manufacturing Sectors 10 31-33 as they existed in 2002.

 11
 * * *

 12
 (18)

13 (1) Solely Notwithstanding any other provision of law to the contrary and solely for the purposes of sales and use taxes levied by the state or any political 14 subdivision whose boundaries are coterminous with those of the state, until July 1, 15 16 2019, the term "use" shall not include the use, the consumption, the distribution, the storage for use or consumption in this state, or the exercise of any right or power 17 over an alternative substance as that term is defined in Subparagraph (10)(z) of this 18 19 Section when such alternative substance is used as a fuel by a manufacturer. "Manufacturer" means a person whose principal activity is manufacturing and who 20 21 is assigned by the Louisiana Workforce Commission a North American Industrial 22 Classification System code with the agricultural, forestry, fishing, and hunting Sector 11 or the manufacturing Sectors 31-33 as they existed in 2002. 23

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25 Section 2. This Act shall become effective upon signature by the governor or, if not 26 signed by the governor, upon expiration of the time for bills to become law without signature 27 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If 28 vetoed by the governor and subsequently approved by the legislature, this Act shall become 29 effective on the day following such approval.

> Page 2 of 3 Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Laura Gail Sullivan.

SB 70 Original

DIGEST 2015 Regular Session

Walsworth

<u>Present law</u> (R.S. 47:301(10)) provides for definitions associated with the term "retail sale" or "sale at retail". Provides that, for purposes of the state sales and use tax, the term "sale at retail" shall not include the sale of any alternative substance when that alternative substance is used as a fuel by a manufacturer.

<u>Present law</u> (R.S. 47:301(18)) provides for definitions associated with the term "use". Provides that, for purposes of the state sales and use tax, the term "use" shall not include the use, consumption, distribution, storage for use or consumption in La., or the exercise of any right or power over an alternative substance as defined in <u>present law</u> when that alternative substance is used as a fuel by a manufacturer.

<u>Present law</u> provides that the state sales and use tax exclusion for certain alternative substances used as fuel by manufacturers shall become null and void on June 30, 2015.

<u>Proposed law</u> retains <u>present law</u> and extends the effectiveness of the state sales and use tax exclusion until July 1, 2019.

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

(Amends R.S. 47:301(10)(z) and (18)(l))