2016 First Extraordinary Session

HOUSE BILL NO. 120

BY REPRESENTATIVE STOKES

TAX/SALES-USE, STATE: Provides relative to the imposition of state sales tax on certain motor fuels (Items #9 and 36)

1	AN ACT		
2	To amend and reenact R.S. 47:301(10)(x) and 305(D)(1)(a) and to enact R.S. 47:301.3,		
3	relative to the state sales and use tax; to provide for certain definitions for purposes		
4	of imposing the state sales and use tax on certain motor fuels; to provide for certain		
5	exemptions relative to sales of gasoline; to impose state sales tax on the sales of		
6	certain motor fuels; to provide for applicability; to provide for effectiveness; and to		
7	provide for related matters.		
8	Be it enacted by the Legislature of Louisiana:		
9	Section 1. R.S. $47:301(10)(x)$ and $305(D)(1)(a)$ are hereby amended and reenacted		
10	and R.S. 47:301.3 is hereby enacted to read as follows:		
11	§301. Definitions		
12	As used in this Chapter the following words, terms, and phrases have the		
13	meaning ascribed to them in this Section, unless the context clearly indicates a		
14	different meaning:		
15	* * *		
16	(10)		
17	* * *		
18	(x) For purposes of the sales and use tax imposed by the state $\frac{1}{2}$ or any political		
19	subdivision whose boundaries are coterminous with those of the state, the terms		
20	"retail sale" or "sale at retail" shall not include the following:		

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CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

1	(i) The sale or purchase by a person of any fuel or gas, including but not
2	limited to butane and propane.
3	(ii) Beginning July 1, 2008, the sale or purchase by any person of butane and
4	propane.
5	* * *
6	§301.3. Gasoline, diesel fuels, and special fuels
7	A. The sales and use tax levied by Chapters 2, 2-A, and 2-B of Subtitle II of
8	Title 47 shall apply to the sales of gasoline, diesel fuels, and special fuels as provided
9	in this Section.
10	B. The sales and use tax levied by Chapters 2, 2-A, and 2-B of Subtitle II of
11	Title 47 on the sales of gasoline, diesel fuels, and special fuels shall be inapplicable,
12	inoperative, and of no effect on any amounts of the sales price of gasoline, diesel
13	fuels, and special fuels that is in excess of two dollars per gallon.
14	* * *
15	§305. Exclusions and exemptions from the tax
16	* * *
17	D.(1) The sale at retail, the use, the consumption, the distribution, and the
18	storage to be used or consumed in the taxing jurisdiction of the following tangible
19	personal property is hereby specifically exempted from the tax imposed by taxing
20	authorities, except as otherwise provided in this Paragraph:
21	(a) Gasoline, for purposes of sales and use taxes imposed by any political
22	subdivision.
23	* * *
24	Section 2. This Act shall take effect and become operative if and when the proposed
25	amendment of Article VII, Section 27(A) of the Constitution of Louisiana contained in the
26	Act which originated as House Bill No. 82 of this 2016 First Extraordinary Session of the
27	Legislature is adopted at a statewide election and becomes effective.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 120 Original	2016 First Extraordinary Session	Stokes
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Abstract: Imposes a state sales tax on sales of gasoline, diesel fuels, and special fuels and provides for limited applicability.

<u>Present law</u> provides definitions for purposes of the state sales and use tax and for the sales and use taxes imposed by certain political subdivisions.

<u>Present law</u> excludes sales of fuel, gas, butane, and propane from the definition of "sale at retail" for purposes of imposition of the state sales tax and sales tax imposed by a political subdivision with boundaries coterminous with the state.

<u>Proposed law</u> retains <u>present law</u> with respect to the exclusion for purposes of imposition of a sales tax imposed by the state on butane and propane but deletes the exclusion for sales of fuel and gas for purposes of imposition of the state sales tax.

Present law exempts the sale of gasoline from sales tax imposed by a taxing authority.

Proposed law repeals this exemption.

<u>Proposed law</u> imposes on the sale of gasoline, diesel fuels, and special fuels, the state sales and use taxes levied in R.S. 47:302, 321, and 331. Further prohibits the imposition of the state sales and use tax on amounts of the sales price of these fuels in excess of \$2/per gallon.

Effective when the proposed amendment of Article VII, §27(A) of the La. Const. is adopted at a statewide election and becomes effective.

(Amends R.S. 47:301(10)(x) and 305(D)(1)(a); Adds R.S. 47:301.3)