

2016 First Extraordinary Session

HOUSE BILL NO. 125

BY REPRESENTATIVE THIBAUT

TAX/SALES & USE: Repeals the state sales and use tax exemption for food and prescription drugs (Item #36)

1 AN ACT

2 To repeal R.S. 47:305(D)(1)(j) and (n) through (r), relative to state sales and use tax; to  
3 repeal the state sales and use tax exemption for certain food and prescription drugs;  
4 to provide for effectiveness.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 47:305(D)(1)(j) and (n) through (r) are hereby repealed in their  
7 entirety.

8 Section 2. This Act shall take effect and become operative if and when the proposed  
9 amendment of Article VII of the Constitution of Louisiana contained in the Act which  
10 originated as House Bill No. 81 of this 2016 Regular Session of the Legislature is adopted  
11 at a statewide election and becomes effective.

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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)]

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HB 125 Engrossed                      2016 First Extraordinary Session                      Thibaut

**Abstract:** Repeals the state sales and use tax exemptions on food for home consumption and prescription drugs.

Proposed law imposes a 4% state sales and use tax upon the sale at retail, the use, the consumption, the distribution, and the storage for use or consumption in this state of each item or article of tangible personal property as well as certain services.

Present constitution and present law provides for an exemption from state sales and use taxes on the following:

- (1) Food sold for preparation and consumption in the home including bakery products
- (2) Dairy products
- (3) Soft drinks
- (4) Fresh fruits and vegetables
- (5) Package foods requiring further preparation by the purchaser.
- (6) Drugs prescribed by a physician or dentist

Proposed law repeals the present law exemption for food for home consumption and prescription drugs prescribed by a physician or dentist from state sales and use taxes.

Effective if and when the proposed amendment of Article VII of the Constitution of La. contained in the Act which originated as House Bill No. 81 of this 1<sup>st</sup> E.S. of 2016 of the Legislature is adopted at a statewide election and becomes effective.

(Repeals R.S. 47:305(D)(1)(j) and (n) through (r))