

2017 Regular Session

HOUSE BILL NO. 220

BY REPRESENTATIVE MAGEE

TAX/SALES-USE, ST-EXEMPT: Reduces the state sales and use tax rate and provides for the base of the remaining state sales and use tax

1 AN ACT

2 To amend and reenact R.S. 47:302(X) and the heading of Chapter 2-B of Subtitle II of Title

3 47 of the Louisiana Revised Statutes of 1950, and to repeal Chapter 2-A of Subtitle

4 II of Title 47 of the Louisiana Revised Statutes of 1950, comprised of R.S. 47:321

5 through 325, and R.S. 47:331 through 332.54, relative to state sales and use taxes;

6 to provide with respect to the effectiveness of exemptions and exclusions for sales

7 of certain tangible personal property and services; to repeal certain state sales and

8 use taxes; to provide for effectiveness; and to provide for related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 47:302(X) and the heading of Chapter 2-B of Subtitle II of Title 47

11 of the Louisiana Revised Statutes of 1950 are hereby amended and reenacted to read as

12 follows:

13 §302. Imposition of tax

14 \* \* \*

15 X. Notwithstanding any other provision of law to the contrary, including but

16 not limited to any contrary provisions of this Chapter, ~~for the period beginning~~ beginning

17 ~~April 1, 2016 through July 1, 2018~~ July 1, 2017, there shall be no exclusions and

18 exemptions to the tax levied pursuant to the provisions of this Section except for

1 exemptions and exclusions for sales or purchases of the following items and for  
2 those items enumerated in Subsection AA of this Section:

3 \* \* \*

4 CHAPTER 2-B A ~~ADDITIONAL SALES AND USE TAX;~~  
5 USE TAX ON LIMESTONE AGGREGATE

6 \* \* \*

7 Section 2. Chapter 2-A of Subtitle II of Title 47 of the Louisiana Revised Statutes  
8 of 1950, comprised of R.S. 47:321 through 325, and R.S. 47:331 through 332.54 are hereby  
9 repealed in their entirety.

10 Section 3. If any provision of this Act or its application to any person or  
11 circumstance is held invalid, the invalidity shall not affect other provisions or applications  
12 of this Act that can be given effect without the invalid provision or application, and to this  
13 end the provisions of this Act are severable.

14 Section 4. This Act shall become effective on July 1, 2017.

---

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 220 Original 2017 Regular Session Magee

**Abstract:** Repeals 3% of the state's combined 5% sales and use taxes and provides for the base of the remaining 2% tax.

Present law imposes a combined 5% rate for state sales and use tax upon the sale at retail, the use, the consumption, the distribution, the storage, lease, or rental of tangible personal property in La., as well as certain specific services. (R.S. 47:302, 321, 321.1, and 331)

Present law provides for disposition of a portion of the avails of state sales and use taxes collected on hotel occupancy, which are dedicated to a number of special treasury funds, the majority of which are dedicated for support of tourism and other local governmental purposes.

Proposed law changes present law by repealing 3% of the combined 5% rate for state sales and use taxes, along with the dedications of the avails of the taxes being repealed. (R.S. 47:321, 321.1, and 331)

Present law establishes a variety of state sales and use tax exclusions and exemptions.

Present law suspends numerous exemptions and exclusions from the state sales and use tax (R.S. 47:302, 321, 321.1, and 331) until July 1, 2018.

Proposed law changes present law by making permanent those suspensions for the 2% levy (R.S. 47:302) beginning July 1, 2017.

Effective July 1, 2017.

(Amends R.S. 47:302(X), and the heading of Ch. 2-B of Subtitle II of Title 47; Repeals R.S. 47:321-325, and R.S. 47:331-332.54))