

2017 Regular Session

HOUSE BILL NO. 396

BY REPRESENTATIVES DWIGHT AND ABRAHAM

TAX/SALES-USE, ST-EXEMPT: Provides for the effectiveness and applicability of the state sales and use tax exclusion for sales of gold, silver, or numismatic coins, and platinum, gold, or silver bullion

1 AN ACT

2 To amend and reenact R.S. 47:301(16)(b)(ii) and to enact R.S. 47:302(AA)(29) and
3 321.1(F)(66)(u), relative to state sales and use tax; to provide with respect to the
4 exclusion for sales of certain precious metals and coins; to provide for effectiveness
5 and applicability of the exclusion; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:301(16)(b)(ii) is hereby amended and reenacted and R.S.
8 47:302(AA)(29) and 321.1(F)(66)(u) are hereby enacted to read 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 (16)

15 * * *

16 (b) The term "tangible personal property" shall not include:

17 * * *

18 (ii) ~~Solely for purposes of sales and use taxes imposed by the state under R.S.~~
19 ~~47:302, 321, and 331, gold, silver, or numismatic coins, or platinum,~~

20 (aa) Platinum, gold, or silver bullion, ingots, or coins.

1 exclusions and exemptions shall be allowable for purposes of the tax levied pursuant
2 to the provisions of this Section:

3 * * *

4 (u) Beginning October 1, 2017:

5 (i) Sales and purchases of platinum, gold, and silver bullion, ingots, or coins
6 as provided in R.S. 47:301(16)(b)(ii)(aa).

7 (ii) Numismatic coins that have a sales price of no more than one thousand
8 dollars as provided in R.S. 47:301(16)(b)(ii)(bb).

9 (iii) Numismatic coins sold at a national, statewide, or multi-parish
10 numismatic trade show as provided in R.S. 47:301(16)(b)(ii)(cc).

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

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 396 Reengrossed 2017 Regular Session Dwight

Abstract: Provides for effectiveness and applicability of the state sales and use tax exclusions for numismatic coins made of platinum, gold, silver, or other materials, and for platinum, gold, or silver bullion.

Present law imposes state sales and use taxes on the sale, use, lease, or rental of tangible personal property pursuant to the following levies:

- R.S. 47:302 - 2% tax
- R.S. 47:321 - 1% tax
- R.S. 47:321.1 - 1% tax
- R.S. 47:331 - 0.97% tax
- R.S. 51:1286 - .03% tax (LA Tourism and Promotion District)

Present law provides for exemptions and exclusions to state sales and use taxes. Further, present law provides for the applicability and effectiveness of certain exclusions and exemptions from the taxes imposed under R.S. 47:302 and 321.1 for the time between July 1, 2016, and June 30, 2018.

Present law provides for an exclusion from state sales and use taxes imposed under R.S. 47:302, 321, and 331, for the purchase of gold, silver, or numismatic coins, or gold, silver, or platinum bullion. This exclusion in present law is not in effect for the state sales and use taxes imposed under R.S. 47:302 and 321.1.

Proposed law changes present law for the exclusion for the sale or purchase of platinum, gold, or silver bullion to include platinum, gold, or silver bullion, ingots, and coins.

Proposed law changes present law for effectiveness and applicability of the exclusion for the sale or purchase of gold, silver, or platinum bullion by providing that the exclusion is effective and applicable against all state sales and use taxes beginning Oct. 1, 2017.

Proposed law changes present law for the exclusion for the sale or purchase of numismatic coins by limiting the exclusion to coins that either have a sales price of \$1,000 or less, or that are sold at a national, statewide, or multi-parish numismatic trade show.

Proposed law further changes present law for the exclusion for the sale or purchase of numismatic coins by making the exclusion effective and applicable against all state sales and use taxes beginning Oct. 1, 2017.

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

(Amends R.S. 47:301(16)(b)(ii); Adds R.S. 47:302(AA)(29) and 321.1(F)(66)(u))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the original bill:

1. Add a limitation on the exclusion for numismatic coins to those with a sales of \$1,000 or less, or that are sold at a trade show.
2. Change the exclusion for platinum, gold, and silver bullion to include silver ingots and coins.
3. Change the effectiveness of proposed law for applicability for the exclusion for coins from June 1, 2017, to Oct. 1, 2017.
4. Change the effectiveness of proposed law for applicability for the exclusion for bullion from June 1, 2017, to Oct. 1, 2017.