

ACT No. 35

2020 First Extraordinary Session

HOUSE BILL NO. 69

BY REPRESENTATIVE DESHOTEL

1 AN ACT

2 To enact R.S. 47:305.73, relative to sales and use tax rebates; to provide for state and local
3 sales and use tax rebates for certain fiber-optic cables; to provide for limitations and
4 conditions; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 47:305.73 is hereby enacted to read as follows:

7 §305.73. Rebates; sales and use tax for fiber-optic cable equipment

8 A.(1) A winning bidder that is awarded a census block by the Federal
9 Communications Commission in the Rural Digital Opportunity Fund Auction, shall
10 be eligible for a rebate of state and local sales and use taxes paid by the winning
11 bidder on fiber-optic cable equipment used to distribute fixed and mobile broadband
12 networks to eligible rural unserved areas in Louisiana. The amount of the rebate shall
13 equal fifty percent of the sales and use tax paid by the winning bidder on fiber-optic
14 cable equipment.

15 (2) The following words shall have the following meanings unless the
16 context clearly indicates otherwise:

17 (a) "Fiber-optic cable equipment" means:

18 (i) Telecommunications fiber.

19 (ii) Wires.

20 (iii) Poles.

21 (iv) Supports.

22 (v) Lashing cable.

23 (vi) Conduit.

24 (vii) Communication handholes.

25 (vii) Customer premise equipment.

1 **(b) "Unserved area" means an area that has service levels below the**
2 **minimum acceptable level of fixed broadband service as defined in 7 U.S.C.**
3 **950bb(e)(1).**

4 **(3) Each item of fiber-optic cable equipment shall be eligible for only a**
5 **single rebate pursuant to this Section. Subsequent transactions involving the sale or**
6 **resale of the same item of fiber optic cable equipment shall not be eligible for this**
7 **rebate.**

8 **(4) The rebate authorized pursuant to this Section shall not be allowed for**
9 **the purchases of fiber-optic cable equipment that are paid for with state or federal**
10 **funds, unless the state or federal funds are reported as taxable income or are**
11 **structured as repayable loans.**

12 **B. Requests for the rebates of state sales and use taxes pursuant to the**
13 **provisions of this Section shall be processed by the Department of Revenue. A**
14 **purchaser shall claim a state rebate using the form and in the manner prescribed by**
15 **the Department of Revenue. The purchaser who claims a rebate shall submit**
16 **documentation to the secretary of the Department of Revenue evidencing the**
17 **purchase of fiber-optic cable equipment and documentation evidencing the purchaser**
18 **is a winning bidder that was awarded a census block by the Federal Communications**
19 **Commission in the Rural Digital Opportunity Fund Auction. The secretary of the**
20 **Department of Revenue may promulgate rules in accordance with the Administrative**
21 **Procedure Act as are necessary to implement the provisions of this Section, including**
22 **rules to provide for the form and manner for claiming a rebate.**

23 **C. Requests for the rebate of local sales and use taxes pursuant to the**
24 **provisions of this Section shall be processed by the appropriate local taxing**
25 **authority. A purchaser shall claim a local rebate using the form and in the manner**
26 **required by the local taxing authority. The purchaser who claims the rebate shall**
27 **submit documentation to the local taxing authority evidencing the purchase of fiber-**
28 **optic cable equipment and documentation evidencing the purchaser is a winning**
29 **bidder that was awarded a census block by the Federal Communications Commission**
30 **in the Rural Digital Opportunity Fund Auction. The Louisiana Uniform Local Sales**

1 Tax Board may promulgate rules and regulations in accordance with the
2 Administrative Procedure Act as necessary for the implementation of this Section.
3 Section 2. This Act shall become effective on July 1, 2020.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____