

2020 Second Extraordinary Session

SENATE BILL NO. 8

BY SENATOR CATHEY

TAX EXEMPTIONS. Exempts purchases of utilities by businesses in the parishes impacted by Hurricane Laura from state sales and use tax. (gov sig) (Item #26)

1 AN ACT

2 To enact R.S. 47:302(BB)(113), relative to tax exemptions; to provide for an exemption  
3 from state sales and use tax for purchases of certain business utilities in parishes  
4 impacted by disasters declared in 2020; to provide for effectiveness; and to provide  
5 for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:302(BB)(113) is hereby enacted to read as follows:

8 §302. Imposition of tax

9 \* \* \*

10 BB. Notwithstanding any other provision of law to the contrary, including but  
11 not limited to any contrary provisions of this Chapter, beginning July 1, 2018,  
12 through June 30, 2025, there shall be no exemptions and no exclusions to the tax  
13 levied pursuant to the provisions of this Section, except for the retail sale, use,  
14 consumption, distribution, or storage for use or consumption of the following:

15 \* \* \*

16 **113. Beginning November 1, 2020, through June 30, 2021, the sale or use**  
17 **of steam, water, electric power or energy, natural gas, or energy sources as**

1           provided in R.S. 47:305(D)(1)(b), (c), (d), (g), and (h) purchased by businesses  
 2           located in a parish for which the Federal Emergency Management Agency of  
 3           the United States Department of Homeland Security has made a determination  
 4           that the parish is eligible for both individual and public assistance under a  
 5           declaration of major disaster for this state due to a disaster in 2020.

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

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The original instrument and the following digest, which constitutes no part  
 of the legislative instrument, were prepared by Leonore Heavey.

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## DIGEST

SB 8 Original

2020 Second Extraordinary Session

Cathey

Present law provides for a state sales tax exemption for the sale or use of steam, water, electric power or energy, natural gas, or energy sources by businesses from three of the four major state sales tax levies, but not for the two percent levy in R.S. 47:302.

Present law provides for the exclusive list of sales and use tax exemptions that are effective through June 30, 2025, for each of the four major state sales tax levies.

Proposed law provides for an exemption from the state sales tax levied in R.S. 47:302 for the purchase of business utilities by businesses located in the parishes that FEMA has determined are eligible for both individual and public assistance under a declaration of major disaster in 2020 by placing this exemption in the list of sales tax exemptions applicable to R.S. 47:302.

Proposed law applies this exemption to all sales tax periods beginning on or after November 1, 2020, and ending on or before June 30, 2021.

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

(Adds R.S. 47:302(BB)(113))