

2021 Regular Session

HOUSE BILL NO. 50

BY REPRESENTATIVE STEFANSKI

TAX/SALES & USE: Provides a state and local sales and use tax exclusion for certain re-leases or re-rentals of items of tangible personal property

1 AN ACT

2 To enact R.S. 47:301(7)(m), 302(BB)(114), 321(P)(115), 321.1(I)(115), and 331(V)(115),
3 relative to state sales and use tax; to provide for a state sales and use tax exclusion
4 for certain re-leases or re-rentals of items of tangible personal property; to provide
5 for definitions; to provide for an effective date; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:301(7)(m), 302(BB)(114), 321(P)(115), 321.1(I)(115), and
8 331(V)(115) 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 meanings ascribed to them in this Section, unless the context clearly indicates a
12 different meaning:

13 * * *

14 (7)

15 * * *

16 (m)(i) For purposes of any sales, use, lease, or rental tax, the term "lease or
17 rental" shall not mean or include the re-lease or re-rental of any item of tangible
18 personal property made by a short-term equipment rental dealer.

19 (ii) For purposes of this Subparagraph, "short-term equipment rental dealer"
20 shall mean a person or entity whose principal business is the short-term rental of

1 tangible personal property classified under the code numbers 532412 and 532310 of
2 the North American Industry Classification System published by the United States
3 Bureau of the Census.

4 (iii) For purposes of this Subparagraph, "short-term rental" shall mean the
5 rental of an item of tangible personal property for a period of less than three hundred
6 sixty-five days, for an undefined period, or under an open-ended agreement.

7 * * *

8 §302. Imposition of tax

9 * * *

10 BB. Notwithstanding any other provision of law to the contrary, including
11 but 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 (114) Re-lease or re-rental by a short-term equipment rental dealer as
17 provided in R.S. 47:301(7)(m).

18 * * *

19 §321. Imposition of tax

20 * * *

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

26 * * *

27 (115) Re-lease or re-rental by a short-term equipment rental dealer as
28 provided in R.S. 47:301(7)(m).

29 * * *

1 §321.1. Imposition of tax

2 * * *

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

8 * * *

9 (115) Re-lease or re-rental by a short-term equipment rental dealer as
10 provided in R.S. 47:301(7)(m).

11 * * *

12 §331. Imposition of tax

13 * * *

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

19 * * *

20 (115) Re-lease or re-rental by a short-term equipment rental dealer as
21 provided in R.S. 47:301(7)(m).

22 * * *

23 Section 2. This Act shall become effective upon signature by the governor or, if not
24 signed by the governor, upon expiration of the time for bills to become law without signature
25 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
26 vetoed by the governor and subsequently approved by the legislature, this Act shall become
27 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 50 Original

2021 Regular Session

Stefanski

Abstract: Establishes a state and local sales and use tax exclusion for the re-lease or re-rental of items of tangible personal property made by a short-term equipment rental dealer.

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

R.S. 47:302 - 2%

R.S. 47:321 - 1%

R.S. 47:321.1 - .45%

R.S. 47:331 - .97%

R.S. 51:1286 - .03%

Proposed law establishes an exclusion from state and local sales and use tax for the re-lease or re-rental of any item of tangible personal property made by a short-term equipment rental dealer.

Proposed law defines, for purposes of the exclusion in proposed law, a "short-term equipment rental dealer" as a person or entity whose principal business is the short-term rental of tangible personal property classified under code numbers 532412 and 532310 of the North American Industry Classification System, published by the U. S. Bureau of Census.

Proposed law further defines a "short-term rental" as the rental of tangible personal property for a period of less than 365 days, for an undefined period, or under an open-ended agreement.

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

(Adds R.S. 47:301(7)(m), 302(BB)(114), 321(P)(115), 321.1(I)(115), and 331(V)(115))