

2021 Regular Session

SENATE BILL NO. 125

BY SENATOR MORRIS

TAX/LOCAL. Exempts certain infused prescription drugs from local sales tax. (7/1/21)

1 AN ACT

2 To enact R.S. 47:305.75 and 337.9(C)(27), relative to local sales and use tax; to provide an  
3 exemption from local sales and use tax for the purchase of certain infused  
4 prescription drugs; to provide for the applicable diseases and conditions; to provide  
5 for limitations; to provide for effectiveness; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:305.75 and 337.9(C)(27) are hereby enacted to read as follows:

8 **§305.75. Exemption; infused prescription drugs for treating certain diseases**  
9 **and conditions**

10 **A. The tax imposed by the political subdivisions of the state shall not**  
11 **apply to the procurement and administration of prescription drugs used**  
12 **exclusively by the patient in his medical treatment when administered**  
13 **exclusively to the patient by a physician, nurse, or other health care professional**  
14 **by infusion in a physician's office where patients are not regularly kept as bed**  
15 **patients for twenty-four hours or more.**

16 **B. The exemption provided for in Subsection A of this Section shall apply**  
17 **only to prescription drugs that are prescribed for the treatment of the following**

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**diseases and conditions:**

- (1) Rheumatoid arthritis.**
- (2) Psoriatic arthritis.**
- (3) Lupus.**
- (4) Chronic gout.**
- (5) Osteoporosis.**
- (6) Multiple sclerosis.**
- (7) Myasthenia gravis.**
- (8) Amyotrophic lateral sclerosis.**
- (9) Chronic inflammatory demyelinating polyneuropathy.**
- (10) Ulcerative colitis.**
- (11) Chron's disease.**
- (12) Anemia.**
- (13) Chronic or severe asthma.**
- (14) Common variable immune deficiency.**
- (15) Primary immune disorder.**
- (16) Human immunodeficiency virus.**
- (17) COVID-19.**

\* \* \*

§337.9. Exemptions applicable to local tax in Chapters 2, 2-A, and 2-B; other exemptions applicable

\* \* \*

C. \* \* \*

**(27) R.S. 47:305.75, "key words": infused prescription drugs for treating certain diseases and conditions.**

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Section 2. This Act shall become effective on July 1, 2021; if vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on July 1, 2021, or on the day following such approval by the legislature, whichever is later.

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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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SB 125 Original	DIGEST 2021 Regular Session	Morris
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Present law provides for a mandatory exemption for prescription drugs from state sales and use tax, a mandatory exemption from state and local sales and use tax for certain chemotherapy prescription drugs, and authorizes an optional exemption for other prescription drugs from local sales and use tax if a local taxing authority adopts the exemption by ordinance or resolution.

Proposed law creates a mandatory local sales and use tax exemption for infused prescription drugs that are administered by a medical professional in a physician's office where patients are not regularly kept as bed patients for 24 hours or more.

Proposed law provides that the exemption applies only to drugs prescribed for the diseases and conditions listed.

Effective July 1, 2021.

(Adds R.S. 47:305.75 and 337.9(C)(27))