

2021 Regular Session

HOUSE BILL NO. 612

BY REPRESENTATIVE NELSON

TAX: Provides relative state and local taxes

1 AN ACT

2 To amend and reenact R.S. 33:4169(D) and R.S. 47:301(14)(b)(i)(aa), 302(A)(introductory

3 paragraph) and (1), (B), and (D), 305.14(A)(1)(a), 305.20(A) and (C),

4 321(A)(introductory paragraph) and (1) and (B), 331(A)(introductory paragraph) and

5 (1) and (B), 337.9(C)(7) through (9), (12), and (13), and 2303(introductory

6 paragraph) and (A), to enact R.S. 47:301(14)(l) and (31), 305.54(H), 305.58(G),

7 305.62(G), 305.75, and 331.1, and to repeal R.S. 38:2212.4(C) and R.S.

8 47:301(3)(b), (g), and (j), (4)(i), (7)(d), (j), and (l), (8)(d) and (e), (10)(a)(iv), (b)(ii),

9 (i), (k), (l), (n), (s), (t), (v) through (y), (bb), and (ee) through (hh), (13)(e) through

10 (j), (l), and (m), (14)(b)(ii) through (iv) and (k), (16)(b)(iii), (c), (h), (i), (m), (n), and

11 (p), (18)(a)(iv), (d), (f) through (k), (o), and (p), 302(F) through (J) and (L) through

12 (CC), 305(D)(1)(b) through (d), (g), (h), (j), and (m), (3) through (5), and (F), 305.2,

13 305.9, 305.11, 305.14(A)(1)(b) and (5), 305.16, 305.17, 305.26, 305.33, 305.36,

14 305.40 through 305.44, 305.50(B), 305.51 through 305.53, 305.57, 305.59 through

15 305.61, 305.63, 305.65, 305.67, 305.68, 305.70, 305.71, 305.74, 321(E) through (Q),

16 321.1, 331(F) through (W), 337.9(C)(23) and (D)(6), (8), (10), (12), (13), (18)

17 through (20), and (26) through (34), 337.10(E), (G), and (M), 337.11(4) and (8),

18 6001, 6003, and 6040, relative to state and local taxation; to provide with respect to

19 sales and use taxes on sales of tangible personal property; to provide with respect to

20 sales and use taxes on sales of certain services; to provide with respect to sales and

1 use taxes on purchases, services, and rentals for private companies working for local  
2 authorities on construction of sewerage and waste water treatment facilities; to  
3 provide with respect to sales and use taxes on certain labor charges; to provide with  
4 respect to certain cigarette taxes; to provide with respect to sales and use taxes on  
5 rentals or purchases of certain airplanes; to provide with respect to sales and use  
6 taxes on certain manufacturing and machinery equipment; to provide with respect  
7 to sales and use taxes on pallets; to provide with respect to the sales and use taxes on  
8 certain bibles, song books, or literature; to provide with respect to sales and use taxes  
9 on certain school buses; to provide with respect to sales and use taxes on certain  
10 pollution control devices; to provide with respect to sales and use taxes on pelletized  
11 paper waste; to provide with respect sales and use taxes on sales of telephone  
12 directories; to provide with respect to sales and use taxes of telecommunication  
13 services; to provide with respect to sales and use taxes on natural gas; to provide  
14 with respect to sales and use taxes on storm shutter devices; to provide with respect  
15 to sales and use taxes at certain Louisiana heritage and culture events; to provide  
16 with respect to sales and use taxes at festivals; to provide with respect to sales and  
17 use taxes on specialty items sold to members by non profit carnival organizations;  
18 to provide with respect to sales and use taxes on admissions to certain athletic and  
19 entertainment events; to provide with respect to sales and use taxes on admissions  
20 to certain places of amusement; to provide with respect to sales and use taxes on  
21 computer software; to provide with respect to sales and use taxes on purchases by  
22 motor vehicle manufacturers; to provide with respect to sales and use taxes on sales  
23 of newspapers; to provide with respect to sales and use taxes on certain medical  
24 devices and equipment; to provide with respect to sales and use taxes on sales to  
25 nonprofit literacy organizations; to provide with respect to sales and use taxes on  
26 certain installation services; to provide with respect to sales and use taxes on motor  
27 vehicles; to provide with respect to sales and use taxes on purchases of certain  
28 construction materials by charitable or nonprofit organizations; to provide with  
29 respect to sales and use taxes on specialty Mardi Gras items; to provide with respect

1 to sales and use taxes on sales by Ducks Unlimited and Bass Life; to provide with  
 2 respect to sales and use taxes on tickets to dances, dramas, or performing arts  
 3 presentations or events; to provide with respect to sales and use taxes on materials  
 4 used in the printing process; to provide with respect to sales and use taxes on certain  
 5 carrier buses; to provide with respect to sales and use taxes on purchases of breast-  
 6 feeding items; to provide with respect to sales and use taxes on certain materials for  
 7 Louisiana commercial fishermen; to provide with respect to sales and use taxes on  
 8 certain antique motor vehicle and airplanes; to provide with respect to sales and use  
 9 taxes on rentals of motion-picture film; to provide with respect to sales and use taxes  
 10 on purchases by and sales by certain nonprofit organizations dedicated to the  
 11 conservation of fish and migratory waterfowl; to provide with respect to sales and  
 12 use taxes of certain one-of-a-kind works of art; to provide with respect to sales and  
 13 use tax holidays; to levy a sales and use tax on certain advertising services; to levy  
 14 a sales and use tax on certain digital goods; to provide for definitions related to the  
 15 taxation of digital goods; to levy an additional state sales and use tax; to provide for  
 16 a sales and use tax exemption from certain residential utilities; to provide for certain  
 17 local sales and use tax exemptions; to provide for eligibility for use value assessment  
 18 for ad valorem property taxation; to provide for effectiveness; to provide for certain  
 19 requirements and limitations; and to provide for related matters.

20 Be it enacted by the Legislature of Louisiana:

21 Section 1. R.S. 33:4169(D) is hereby amended and reenacted to read as follows:

22 §4169. Collection contracts for sewerage service charges; access charges;  
 23 enforcement procedures for delinquent charges

24 \* \* \*

25 D. Any municipal corporation, parish, or sewerage or water district shall  
 26 have the power to execute and enter into a contract with any private company for the  
 27 construction of sewerage or wastewater treatment facilities and for the operation of  
 28 such facilities. Any such private company shall have in its construction and  
 29 operation of such facilities the same ad valorem ~~and sales~~ tax liability exemption as

1 the municipal corporation, parish, or sewerage or water district with which it  
2 contracts for such purpose.

3 \* \* \*

4 Section 2. R.S. 47:301(14)(b)(i)(aa), 302(A)(introductory paragraph) and (1), (B),  
5 and (D), 305.14(A)(1)(a), 305.20(A) and (C), 321(A)(introductory paragraph) and (1) and  
6 (B), 331(A)(introductory paragraph) and (1) and (B), 337.9(C)(7) through (9), (12), and (13),  
7 and 2303(introductory paragraph) and (A) are hereby amended and reenacted and R.S.  
8 47:301(14)(l) and (31), 305.54(H), 305.58(G), 305.62(G), 305.75, and 331.1 are hereby  
9 enacted to read as follows:

10 §301. Definitions

11 As used in this Chapter the following words, terms, and phrases have the  
12 meanings ascribed to them in this Section, unless the context clearly indicates a  
13 different meaning:

14 \* \* \*

15 (14) "Sales of services" means and includes the following:

16 \* \* \*

17 (b)(i)(aa) The sale of admissions to ~~places of amusement~~, to an athletic and  
18 entertainment other than that of schools, colleges, and universities, and recreational  
19 events, and the furnishing, for dues, fees, or other consideration of the privilege of  
20 access to clubs or the privilege of having access to or the use of amusement,  
21 entertainment, athletic, or recreational facilities event held for or by an elementary  
22 or secondary school.

23 \* \* \*

24 (l) The sales of digital advertising services rendered by an advertising  
25 business, including but not limited to advertising agencies, design firms, or broadcast  
26 media businesses or any member, agent, or employee thereof, to any person or entity  
27 regardless of the service involving a transfer tangible personal property to the client  
28 when the digital advertising service is delivered into Louisiana.

29 \* \* \*

1           (31)(a) Digital goods shall mean:

2           (i) Digital products or prewritten computer software delivered electronically  
3           to an end user, regardless of whether the end user receives permanent or temporary  
4           rights to access or utilize the product or software or whether the end user is required  
5           to make continued payments for the rights or access.

6           (ii) Digital products or prewritten computer software in which a person may  
7           be permitted rights for access or use and possession is maintained by the seller or a  
8           third party, regardless of whether charges for access or utilization are per use, per  
9           user, per license, or by subscription.

10          (iii) Digital codes.

11          (iv) Rights, licenses, or benefits delivered electronically to enhance,  
12          maintain, update, renew, upgrade, or expand benefits for digital products or  
13          prewritten computer software.

14          (b) For purposes of this Subparagraph the following words have the  
15          following meanings:

16          (i) Digital code shall mean a key, activation, or enabling code that provides  
17          the purchaser with a right or access to obtain one or more digital products that may  
18          be obtained by any means including electronic delivery or any tangible means.  
19          Digital code shall not include a code that represents stored monetary value that is  
20          deducted from a total as it is used by the purchaser, or a redeemable card, gift card,  
21          or gift certificate that entitles the holder of the instrument to select specified digital  
22          products of an indicated cash value.

23          (ii) Digital product shall include the following:

24                (aa) Digital audiovisual works.

25                (bb) Digital audio works.

26                (cc) Digital books.

27                (dd) Digital artwork.

28                (ee) Digital photographs.

29                (ff) Digital periodicals.

1                    (gg) Digital newspapers.

2                    (hh) Digital magazines.

3                    (ii) Digital video greeting cards.

4                    (jj) Audio greeting cards.

5                    (kk) Digital greeting cards or invitations.

6                    (ll) Video games.

7        §302. Imposition of tax

8                    A. There is hereby levied a tax upon the sale at retail, the use, the  
9        consumption, the distribution, and the storage for use or consumption in this state,  
10       consumption, the distribution, and the storage for use or consumption in this state,  
11       of each item or article of tangible personal property and upon the sale of each digital  
12       good delivered into this state, as defined herein, the levy of said tax to be as follows:

13                    (1) At the rate of two per centum (2%) of the sales price of each item or  
14       article of tangible personal property when sold at retail in this state and of the sales  
15       price of each digital good delivered into this state; the tax to be computed on gross  
16       sales for the purpose of remitting the amount of tax due the state, and to include each  
17       and every retail sale.

17    \*        \*        \*

18                    B. There is hereby levied a tax upon the lease or rental within this state of  
19       each item or article of tangible personal property and upon the lease or rental of each  
20       digital good delivered into this state, as defined herein; the levy of said tax to be as  
21       follows:

22                    (1) At the rate of two per centum (2%) of the gross proceeds derived from  
23       the lease or rental of tangible personal property or digital good, as defined herein,  
24       where the lease or rental of such property or digital good is an established business,  
25       or part of an established business, or the same is incidental or germane to the said  
26       business.

1           (2) At the rate of two per centum (2%) of the monthly lease or rental price  
2           paid by lessee or rentee, or contracted or agreed to be paid by lessee or rentee to the  
3           owner of the tangible personal property or digital good.

4   \*       \*       \*

5           D.(1) Notwithstanding any other provision of law to the contrary, except as  
6           provided by Paragraph (2) of this Subsection, no sales or use tax of any taxing  
7           authority shall be levied on any advertising service rendered by an advertising  
8           business, including but not limited to advertising agencies, design firms, and print  
9           and broadcast media, or any member, agent, or employee thereof, to any client  
10          whether or not such service also involves a transfer to the client of tangible personal  
11          property. However, a transfer of mass-produced advertising items by an advertising  
12          business which manufactures the items itself to a client for the client's use, which  
13          transfer involves the furnishing of minimal services other than manufacturing  
14          services by the advertising business shall be a taxable sale or use of tangible personal  
15          property; provided that in no event shall tax be levied on charges for creative  
16          services which are separately invoiced.

17          (2) The sales of digital advertising services rendered by an advertising  
18          business shall be subject to all state sales and use tax levies provided for in this  
19          Chapter pursuant to R.S. 47:301(14)(1).

20   \*       \*       \*

21          §305.14. Exclusions and exemptions; nonprofit organizations; nature of exemption;  
22          limitations; qualifications; ~~newspapers~~; determination of tax exempt status

23          A.(1)(a) The sales and use taxes imposed by taxing authorities shall not  
24          apply to sales of tangible personal property at, or admission charges for, outside gate  
25          admissions to, or parking fees associated with, events sponsored by domestic, civic,  
26          educational, historical, charitable, fraternal, or religious organizations, which are  
27          nonprofit, when the entire proceeds, except for necessary expenses such as fees paid  
28          for guest speakers, chair and table rentals, and food and beverage utility related items  
29          connected therewith, are used for educational, charitable, religious, or historical

1 restoration purposes, including the furtherance of the civic, educational, historical,  
2 charitable, fraternal, or religious purpose of the organization. ~~In addition,~~  
3 ~~newspapers published in this state by religious organizations shall also be exempt~~  
4 ~~from such taxes, provided that the price paid for the newspaper or a subscription to~~  
5 ~~the newspaper does not exceed the cost to publish such newspaper.~~

6 \* \* \*

7 §305.20. Exclusions and exemptions; Louisiana commercial fishermen

8 A. A Louisiana resident, domiciled in Louisiana, who possesses such valid  
9 Louisiana commercial fishing license(s) as may be necessary for commercial fishing  
10 ventures, including but not limited to a vessel license issued pursuant to R.S. 56:304,  
11 and who is an owner of a vessel operated primarily for the conduct of commercial  
12 fishing as a trade or business and which the Louisiana Department of Wildlife and  
13 Fisheries determines will be predominantly and principally used for commercial  
14 fishing ventures and whose catch is for human consumption shall be exempt from  
15 state sales, use, lease, and services taxes as set forth in Subsection C of this Section.  
16 Possession of a commercial fishing license issued by the Department of Wildlife and  
17 Fisheries shall not be used as the sole determination that a vessel will be used  
18 predominantly and principally for commercial fishing ventures. ~~This exemption~~  
19 ~~shall also apply to facilities which process the catch from owners of commercial~~  
20 ~~fishing vessels for which this exemption is granted when such vessels are owned by,~~  
21 ~~or leased or contracted exclusively to, the seafood processing facility.~~

22 \* \* \*

23 C. An owner who has obtained a certificate of exemption shall, with respect  
24 to the vessel identified in the certificate for the harvesting or production of fish and  
25 other aquatic life, including shrimp, oysters, and clams, ~~and certain seafood~~  
26 ~~processing facilities described in Subsection A,~~ be exempt from the taxes described  
27 in Subsection A, as follows:



1 (1) Taxes applied to the materials and supplies necessary for repairs to the  
2 vessel ~~or facility~~ if they are purchased by the owner and later become a component  
3 part of the vessel ~~or facility~~.

4 (2) Taxes applied to materials and supplies purchased by the owner of the  
5 vessel or facility where such materials and supplies are loaded upon the vessel ~~or~~  
6 ~~delivered to the facility~~ for use or consumption in the maintenance and operation  
7 thereof for commercial fishing ~~and processing ventures~~. For purposes of this  
8 Paragraph, it shall make no difference whether the vessel is engaged in interstate,  
9 foreign, or intrastate commerce.

10 (3) Taxes applied to repair services performed upon the vessel ~~or facility~~.  
11 For the purposes of this Paragraph, it shall make no difference whether the vessel is  
12 engaged in intrastate, interstate, or foreign commerce.

13 (4) Taxes applied to the purchase of gasoline, diesel fuel, and lubricants for  
14 the vessel ~~and to sources of energy and fuels for the facility~~.

15 \* \* \*

16 §305.54. Exemption; Annual Louisiana Sales Tax Holidays Act

17 \* \* \*

18 H. Notwithstanding any other provision of law, the exemption provided for  
19 in this Section shall not apply to state sales and use taxes.

20 \* \* \*

21 §305.58. Exemption; annual sales tax holiday; hurricane-preparedness items or  
22 supplies; dates; restrictions

23 \* \* \*

24 G. Notwithstanding any other provision of law, the exemption provided for  
25 in this Section shall not apply to state sales and use taxes.

26 \* \* \*

27 §305.62. Exemption; Annual Louisiana Second Amendment Weekend Holiday

28 \* \* \*

1           G. Notwithstanding any other provision of law, the exemption provided for  
2           in this Section shall not apply to state sales and use taxes.

3                                   \*       \*       \*

4           §305.75. Exemption; utilities

5                   The sale at retail, the use, the consumption, the distribution, and the storage  
6           to be used or consumed within the applicable taxing authority of the following  
7           utilities shall be exempt from the sales and use taxes levied in R.S. 47:302.1, 321,  
8           and 331:

9                   (a) Steam.

10                   (b) Water, not including mineral water, carbonated water, or any water put  
11           in bottles, jugs, or containers.

12                   (c) Electric power or energy and any materials or energy sources used to fuel  
13           the generation of electric power for resale or use by an industrial manufacturing plant  
14           for self-consumption or cogeneration.

15                   (d) Natural gas.

16                   (e) All energy sources used for boiler fuel, not including refinery gas.

17                                   \*       \*       \*

18           §321. Imposition of tax

19                   A. In addition to the tax levied by R.S. 47:302(A) and 331(A) and collected  
20           under the provisions of Chapter 2 of Subtitle II of this Title, there is hereby levied  
21           an additional tax upon the sale at retail, the use, the consumption, the distribution,  
22           and the storage for use or consumption in this state of each item or article of tangible  
23           personal property and upon the sale of each digital good delivered into this state, as  
24           defined in Chapter 2 of Subtitle II of this Title. The levy of said tax shall be as  
25           follows:

26                   (1) At the rate of one percent of the sales price of each item or article of  
27           tangible personal property when sold at retail in this state except for prepaid calling  
28           service and prepaid wireless calling service and of the sales price of each digital

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

1 good delivered into this state, the tax to be computed on gross sales for the purpose  
2 of remitting the amount of tax to the state, and to include each and every retail sale.

3 \* \* \*

4 B. In addition to the tax levied by R.S. 47:302(B) and 331(B) and collected  
5 under the provisions of Chapter 2 of Subtitle II of Title 47 of the Louisiana Revised  
6 Statutes of 1950, there is hereby levied a tax upon the lease or rental within this state  
7 of each item or article of tangible personal property and upon the lease or rental of  
8 each digital good delivered into this state, as defined by said Chapter 2 of Subtitle  
9 II of Title 47 of the Louisiana Revised Statutes of 1950; the levy of said tax to be as  
10 follows:

11 (1) At the rate of one percent of the gross proceeds derived from the lease  
12 or rental of tangible personal property or digital good, as defined in Chapter 2 of  
13 Subtitle II of Title 47 of the Louisiana Revised Statutes of 1950, where the lease or  
14 rental of such property or digital good is in an established business, or part of an  
15 established business, or the same is incidental or germane to the business.

16 (2) At the rate of one percent of the monthly lease or rental price paid by a  
17 lessee or rentee, or contracted or agreed to be paid by a lessee or rentee to the owner  
18 of the tangible personal property or digital good.

19 \* \* \*

20 §331. Imposition of tax

21 A. In addition to the tax levied by R.S. 47:302(A) and collected under the  
22 provisions of Chapter 2 of Subtitle II of Title 47 of the Louisiana Revised Statutes  
23 of 1950, there is hereby levied an additional tax upon the sale at retail, the use, the  
24 consumption, the distribution, and the storage for use or consumption in this state of  
25 each item or article of tangible personal property and upon the sale of each digital  
26 good delivered into this state, as defined in Chapter 2 of Subtitle II of Title 47 of the  
27 Louisiana Revised Statutes of 1950; the levy of said tax to be as follows:

28 (1) At the rate of ninety-seven one hundredths of one percentum of the sales  
29 price of each item or article of tangible personal property when sold at retail in this

1 state and of the sales price of each digital good delivered into this state, the tax to be  
2 computed on gross sales for the purpose of remitting the amount of tax to the state,  
3 and to include each and every retail sale.

4 \* \* \*

5 B. In addition to the tax levied by R.S. 47:302(B) and collected under the  
6 provisions of Chapter 2 of Subtitle II of Title 47 of the Louisiana Revised Statutes  
7 of 1950, there is hereby levied a tax upon the lease or rental within this state of each  
8 item or article of tangible personal property and upon the lease or rental of each  
9 digital good delivered into the state, as defined by said Chapter 2 of Subtitle II of  
10 Title 47 of the Louisiana Revised Statutes of 1950; the levy of said tax to be as  
11 follows:

12 (1) At the rate of ninety-seven one hundredths of one percentum of the gross  
13 proceeds derived from the lease or rental of tangible personal property or digital  
14 good, as defined in Chapter 2 of Subtitle II of Title 47 of the Louisiana Revised  
15 Statutes of 1950, where the lease or rental of such property or digital good is in an  
16 established business, or part of an established business, or the same is incidental or  
17 germane to the business.

18 (2) At the rate of ninety-seven one hundredths of one percentum of the  
19 monthly lease or rental price paid by a lessee or rentee, or contracted or agreed to be  
20 paid by a lessee or rentee to the owner of the tangible personal property or digital  
21 good.

22 \* \* \*

23 §331.1. Imposition of tax

24 A. In addition to the taxes levied in R.S. 47:302(A), 321(A), and 331(A) and  
25 collected under the provisions of Chapter 2 of Subtitle II of Title 47 of the Louisiana  
26 Revised Statutes of 1950, there is hereby levied an additional tax upon the sale at  
27 retail, the use, the consumption, the distribution, and the storage for use or  
28 consumption in this state of each item or article of tangible personal property and  
29 upon the sale of each digital good delivered into the state, as defined in Chapter 2 of

1        Subtitle II of Title 47 of the Louisiana Revised Statutes of 1950. The levy of the tax  
2        shall be as follows:

3                (1) At the rate of two and six hundredths percent of the sales price of each  
4        item or article of tangible personal property when sold at retail in this state and of  
5        each digital good delivered into this state, the tax to be computed on gross sales for  
6        the purpose of remitting the amount of tax to the state, and to include each and every  
7        retail sale.

8                (2) At the rate of two and six hundredths percent of the cost price of each  
9        item or article of tangible personal property when the same is not sold but is used,  
10       consumed, distributed, or stored for use or consumption in this state, provided that  
11       there shall be no duplication of the tax.

12                B. In addition to the tax levied by R.S. 47:302(B), 321(B), and 331(B) and  
13       collected under the provisions of Chapter 2 of Subtitle II of Title 47 of the Louisiana  
14       Revised Statutes of 1950, there is hereby levied a tax upon the lease or rental within  
15       this state of each item or article of tangible personal property and upon the lease or  
16       rental of each digital good delivered into this state, as defined by Chapter 2 of  
17       Subtitle II of Title 47 of the Louisiana Revised Statutes of 1950. The levy of the tax  
18       shall be as follows:

19                (1) At the rate of two and six hundredths percent of the gross proceeds  
20       derived from the lease or rental of tangible personal property or digital good, as  
21       defined in Chapter 2 of Subtitle II of Title 47 of the Louisiana Revised Statutes of  
22       1950, where the lease or rental of such property or digital good is in an established  
23       business, or part of an established business, or the same is incidental or germane to  
24       the business.

25                (2) At the rate of two and six hundredths percent of the monthly lease or  
26       rental price paid by a lessee or rentee, or contracted or agreed to be paid by a lessee  
27       or rentee to the owner of the tangible personal property or digital good.

28                C. In addition to the tax levied on sales of services by R.S. 47:302(C),  
29       321(C), and 331(C) and collected under the provisions of Chapter 2 of Subtitle II of

1       Title 47 of the Louisiana Revised Statutes of 1950, there is hereby levied a tax upon  
2       all sales of services in this state, as those services are defined by Chapter 2 of  
3       Subtitle II of Title 47 of the Louisiana Revised Statutes of 1950, at the rate of two  
4       and six hundredths percent of the amounts paid or charged for the services.

5               D. The tax levied herein shall be collected from the dealer or wholesaler as  
6       provided for and as defined by Chapter 2 of Subtitle II of Title 47 of the Louisiana  
7       Revised Statutes of 1950. The tax shall be paid at the time and in the manner  
8       provided therein, shall be in addition to all other taxes, whether levied in the form  
9       of sales, excise, license, or privilege taxes, and shall be in addition to taxes levied  
10       under the provisions of Chapter 2 of Subtitle II of Title 47 of the Louisiana Revised  
11       Statutes of 1950.

12                               \*       \*       \*

13       §337.9. Exemptions applicable to local tax in Chapters 2, 2-A, and 2-B; other  
14       exemptions applicable

15                               \*       \*       \*

16       C.(1)

17                               \*       \*       \*

18       (7) ~~R.S. 47:305(D)(1)(b)~~, R.S. 47:305.75(a), "key words": steam.

19       (8) ~~R.S. 47:305(D)(1)(c)~~, R.S. 47:305.75(b), "key words": water.

20       (9) ~~R.S. 47:305(D)(1)(d)~~, R.S. 47:305.75(c), "key words": electric power or  
21       energy and fuel.

22                               \*       \*       \*

23       (12) ~~R.S. 47:305(D)(1)(g)~~, R.S. 47:305.75(d), "key words": natural gas.

24       (13) ~~R.S. 47:305(D)(1)(h)~~, R.S. 47:305.75(e), "key words": boiler fuel except  
25       refinery gas.

26                               \*       \*       \*

27       §2303. Eligibility for use value assessment

28               In order to be classified as bona fide agricultural, horticultural, ~~marsh~~ or  
29       timber land and assessed at its use value under the provisions of Article VII, Section

1 18(C) of the Louisiana Constitution of 1974, it must meet the definition of bona fide  
2 agricultural, horticultural, ~~marsh~~ or timber land as described in R.S. 47:2302 and, in  
3 the case of bona fide agricultural, horticultural, or timber land:

4 A. Be at least ~~three~~ ten acres in size, or have produced an average gross  
5 annual income of at least two thousand dollars in one or more of the designated  
6 classifications for the four preceding years, and

7 \* \* \*

8 Section 3. R.S. 38:2212.4(C) and R.S. 47:301(3)(b), (g), and (j), (4)(i), (7)(d), (j), and  
9 (l), (8)(d) and (e), (10)(a)(iv), (b)(ii), (i), (k), (l), (n), (s), (t), (v) through (y), (bb), and (ee)  
10 through (hh), (13)(e) through (j), (l), and (m), (14)(b)(ii) through (iv) and (k), (16)(b)(iii),  
11 (c), (h), (i), (m), (n), and (p), (18)(a)(iv), (d), (f) through (k), (o), and (p), 302(F) through (J)  
12 and (L) through (CC), 305(D)(1)(b) through (d), (g), (h), (j), and (m), (3) through (5), and  
13 (F), 305.2, 305.9, 305.11, 305.14(A)(1)(b) and (5), 305.16, 305.17, 305.26, 305.33, 305.36,  
14 305.40 through 305.44, 305.50(B), 305.51 through 305.53, 305.57, 305.59 through 305.61,  
15 305.63, 305.65, 305.67, 305.68, 305.70, 305.71, 305.74, 321(E) through (Q), 321.1, 331(F)  
16 through (W), 337.9(C)(23) and (D)(6), (8), (10), (12), (13), (18) through (20), and (26)  
17 through (34), 337.10(E), (G), and (M), 337.11(4) and (8), 6001, 6003, and 6040 are hereby  
18 repealed in their entirety.

19 Section 4. This Act shall take effect and become operative if and when the proposed  
20 amendment of Articles VI, VII, and VIII of the Constitution of Louisiana contained in the  
21 Act which originated as House Bill No. 526 of this 2021 Regular Session of the Legislature  
22 is adopted at a statewide election and becomes effective.

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**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)]

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HB 612 Engrossed

2021 Regular Session

Nelson

**Abstract:** Provides for state and local sales and use taxes.

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%

Present law authorizes numerous sales and use tax exemptions and exclusions.

Present law suspends numerous exemptions from the four levies of state sales and use tax (R.S. 47:302, 321, 321.1, and 331) through June 30, 2025, and provides an exclusive list of exemptions that are currently effective.

Proposed law repeals the exemptions and exclusions currently suspended including exemptions and exclusions for:

- (1) Purchases, services and rentals for private companies working for local authorities on construction of sewerage and waste water treatment facilities.
- (2) Certain labor charges.
- (3) Purchases of certain utilities,
- (4) Rentals or purchases of certain airplanes.
- (5) Certain manufacturing and machinery equipment.
- (6) Certain pallets.
- (7) Certain bibles, song books, or literature.
- (8) Certain school buses.
- (9) Certain pollution control devices.
- (10) Pelletized paper waste.
- (11) Sales of telephone directories.
- (12) Certain telecommunication services.
- (13) Natural gas.
- (14) Storm shutter devices.



- (15) Certain Louisiana heritage and culture events.
- (16) Festivals.
- (17) Specialty items sold to members by nonprofit carnival organizations.
- (18) Admissions to certain athletic and entertainment events.
- (19) Admissions to certain places of amusement.
- (20) Computer software.
- (21) Purchases by motor vehicle manufacturers.
- (22) Sales of newspapers.
- (23) Medical devices and equipment.
- (24) Sales to nonprofit literacy organizations.
- (25) Certain installation services.
- (26) Motor vehicles.
- (27) Purchases of certain construction materials by certain charitable or nonprofit organizations.
- (28) Specialty Mardi Gras items.
- (29) Sales by Ducks Unlimited and Bass Life.
- (30) Tickets to dances, dramas, or performing arts presentations or events.
- (31) Materials used in the printing process.
- (32) Certain carrier buses.
- (33) Purchases of breast-feeding items.
- (34) Certain materials for La. commercial fishermen.
- (35) Certain antique motor vehicles and airplanes.
- (36) Certain rentals of motion-picture film.
- (37) Purchases by and sales by certain nonprofit organizations dedicated to the conservation of fish and migratory waterfowl.
- (38) Certain one-of-a-kind works of art.

Proposed law levies a sales and use tax on digital goods delivered into La.

Proposed law defines digital goods as:

- (1) Digital products or prewritten computer software delivered electronically to an end user, regardless of whether the end user receives permanent or temporary rights to access or utilize the product or software or whether the end user is required to make continued payments for the rights or access.

- (2) Digital products or prewritten computer software in which a person may be permitted rights for access or use and possession is maintained by the seller or a third party, regardless of whether charges for access or utilization are per use, per user, per license, or by subscription.
- (3) Digital codes.
- (4) Rights, licenses, or benefits delivered electronically to enhance, maintain, update, renew, upgrade, or expand benefits for digital products or prewritten computer software.

Proposed law defines digital code as a key, activation, or enabling code that provides the purchaser with a right or access to obtain one or more digital products that may be obtained by any means including electronic or tangible means. Digital code shall not include a code that represents stored monetary value that is deducted from a total as it is used by the purchaser or a redeemable card, gift card, or gift certificate that entitles the holder of the instrument to select specified digital products of an indicated cash value.

Proposed law provides digital product shall include the following:

- (1) Digital audiovisual works.
- (2) Digital audio works.
- (3) Digital books.
- (4) Digital artwork.
- (5) Digital photographs.
- (6) Digital periodicals.
- (7) Digital newspapers.
- (8) Digital magazines.
- (9) Digital video greeting cards.
- (10) Audio greeting cards.
- (11) Digital greeting cards or invitations.
- (12) Video games.

Present law exempts sales of advertising services from sales and use tax.

Proposed law levies a tax on the sales of digital advertising services rendered by an advertising business when the advertisement service is delivered into La.

Present law provides that land, in order to be classified as bonafide agricultural, horticultural, marsh or timberland and assessed at its use value, must be at least three acres in size or have produced an average gross annual income of at least \$2,000 in one or more of the designated classifications for the previous four years.

Proposed law retains present law but changes the minimum acreage from three acres to ten acres.

Effective if and when the proposed amendment of Articles VI, VII, and VIII of the Constitution of La. contained in the Act which originated as House Bill No. 526 of this 2021 R.S. of the Legislature is adopted at a statewide election and becomes effective.

(Amends R.S. 33:4169(D) and R.S. 47:301(14)(b)(i)(aa), 302(A)(intro. para.) and (1), (B), and (D), 305.14(A)(1)(a), 305.20(A) and (C), 321(A)(intro. para.) and (1) and (B), 331(A)(intro. para.) and (1) and (B), 337.9(C)(7)-(9), (12), and (13), and 2303(A); Adds R.S. 47:301(14)(l) and (31), 305.54(H), 305.58(G), 305.62(G), 305.75, and 331.1; Repeals R.S. 38:2212.4(C) and R.S. 47:301(3)(b), (g), and (j), (4)(i), (7)(d), (j), and (l), (8)(d) and (e), (10)(a)(iv), (b)(ii), (i), (k), (l), (n), (s), (t), (v)-(y), (bb), and (ee)-(hh), (13)(e)-(j), (l), and (m), (14)(b)(ii)-(iv) and (k), (16)(b)(iii), (c), (h), (i), (m), (n), and (p), (18)(a)(iv), (d), (f)-(k), (o), and (p), 302(F)-(J) and (L)-(CC), 305(D)(1)(b)-(d), (g), (h), (j), and (m), (3)-(5), and (F), 305.2, 305.9, 305.11, 305.14(A)(1)(b) and (5), 305.16, 305.17, 305.26, 305.33, 305.36, 305.40-305.44, 305.50(B), 305.51-305.53, 305.57, 305.59-305.61, 305.63, 305.65, 305.67, 305.68, 305.70, 305.71, 305.74, 321(E)-(Q), 321.1, 331(F)-(W), 337.9(C)(23) and (D)(6), (8), (10), (12), (13), (18)-(20) and (26)-(34), 337.10(E), (G), and (M), 337.11(4) and (8), 6001, 6003, and 6040)

#### Summary of Amendments Adopted by House

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

1. Specify the House Bill No. of the proposed constitutional amendment to which the effectiveness of proposed law is tied.