

2021 Regular Session

SENATE BILL NO. 77

BY SENATOR MIZELL

TAX/SALES. Exempts purchases of certain school buses from sales and use tax. (7/1/21)

1 AN ACT

2 To amend and reenact R.S. 47:301(10)(i) and to enact R.S. 47:302(BB)(114), 321(P)(115),
3 321.1(I)(115), and 331(V)(115), relative to sales and use tax exemptions; to exempt
4 purchases of certain school buses to be used by elementary and secondary schools
5 from sales and use tax; to provide for effectiveness; and to provide for related
6 matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 47:301(10)(i) is hereby amended and reenacted and R.S.
9 47:302(BB)(114), 321(P)(115), 321.1(I)(115), and 331(V)(115) are enacted to read as
10 follows:

11 §301. Definitions

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

15 * * *

16 (10) * * *

17 (i) The term "sale at retail" does not include the purchase of a new school bus

1 or a used school bus ~~which~~ **that** is less than five years old ~~by an independent~~
 2 ~~operator~~, when such ~~the~~ bus is to be used exclusively ~~in a public school system~~. **for**
 3 **public elementary or secondary schools, public elementary or secondary**
 4 **laboratory schools that are operated by a public college or university, or**
 5 **nonpublic elementary or secondary schools approved by the State Board of**
 6 **Elementary and Secondary Education. As used in this Subparagraph, "school**
 7 **bus" includes only a bus that meets or exceeds the safety specifications for**
 8 **school buses established by the state Department of Education, is painted**
 9 **national school bus chrome in the shade designated by the State Board of**
 10 **Elementary and Secondary Education, and is purchased from a dealer licensed**
 11 **under the provisions of R.S. 32:791 or 1254.** This exclusion shall apply to all sales
 12 and use taxes levied by any local political subdivision.

13 * * *

14 §302. Imposition of tax

15 * * *

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

21 * * *

22 **(114) Purchases of school buses that are new or less than five years old**
 23 **as provided in R.S. 47:301(10)(i).**

24 * * *

25 §321. Imposition of tax

26 * * *

27 P. Notwithstanding any other provision of law to the contrary, including but
 28 not limited to any contrary provisions of this Chapter, beginning July 1, 2018,
 29 through June 30, 2025, there shall be no exemptions and no exclusions to the tax

1 levied pursuant to the provisions of this Section, except for the retail sale, use,
2 consumption, distribution, or storage for use or consumption of the following:

3 * * *

4 **(115) Purchases of school buses that are new or less than five years old**
5 **as provided in R.S. 47:301(10)(i).**

6 * * *

7 §321.1. Imposition of tax

8 * * *

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

14 * * *

15 **(115) Purchases of school buses that are new or less than five years old**
16 **as provided in R.S. 47:301(10)(i).**

17 * * *

18 §331. Imposition of tax

19 * * *

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

25 * * *

26 **(115) Purchases of school buses that are new or less than five years old**
27 **as provided in R.S. 47:301(10)(i).**

28 * * *

29 Section 2. This Act shall become effective on July 1, 2021.

The original instrument was prepared by Leonore Heavey. The following digest, which does not constitute a part of the legislative instrument, was prepared by Curry J. Lann.

DIGEST

SB 77 Engrossed

2021 Regular Session

Mizell

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 excludes purchases of new school buses or used school buses that are less than five years old that are purchased by an independent operator and used exclusively in public school systems from state and local sales and use tax.

Proposed law modifies present law exemption to apply to all purchases of new school buses or used school buses that are less than five years old to buses that will be used exclusively for public elementary or secondary schools, public elementary or secondary laboratory schools that are operated by a public college or university, or nonpublic elementary or secondary schools approved by BESE.

Proposed law provides that to qualify for this exemption a school bus must meet or exceed the safety specifications for school buses established by the state DOE, must be painted national school bus chrome in the shade designated by BESE, and must be purchased from a licensed new or used vehicle dealer.

Present law suspends numerous exemptions and exclusion from the four levies of state sales and use tax (R.S. 47:302, 321, 321.1, and 331) through June 30, 2025, including the exclusion for purchases of new school buses or used school buses that are less than five years old.

Proposed law changes present law by adding the exclusion for purchases of new school buses or used school buses that are less than five years old to the list of state sales and use tax exemptions and exclusions that are effective through June 30, 2025.

Effective July 1, 2021.

(Amends R.S. 47:301(10)(i); adds R.S. 47:302(BB)(114), 321(P)(115), 321.1(I)(115), and 331(V)(115))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the original bill

1. Makes technical changes.