

2022 Regular Session

HOUSE BILL NO. 429

BY REPRESENTATIVE HILFERTY

TAX/SALES & USE: Establishes a state sales and use tax rebate for the purchase of construction materials by certain charitable organizations

1 AN ACT

2 To enact R.S. 47:305.77, relative to sales and use tax rebates; to provide for state sales and
3 use tax rebates for certain charitable organizations; to provide for the amount of the
4 rebate; to provide for requirements and limitations; to provide for applicability; to
5 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. 47:305.77 is hereby enacted to read as follows:

8 §305.77. Rebates; sales and use tax for charitable residential construction,
9 rehabilitation, and renovation

10 A. A nonprofit charitable organization is eligible for a rebate of sales and use
11 taxes imposed by the state and paid by the nonprofit charitable organization on
12 purchases of construction and building materials used for constructing, rehabilitating,
13 or renovating a residential dwelling. The rebate authorized pursuant to this Section
14 may be claimed only after the construction, rehabilitation, or renovation has been
15 completed.

16 B. The Department of Revenue shall process claims for the rebate of state
17 sales and use taxes authorized pursuant to this Section. A nonprofit charitable
18 organization shall make a claim for the rebate using the form and in the manner
19 prescribed by the secretary of the Department of Revenue. The nonprofit charitable
20 organization claiming the rebate shall submit documentation to the secretary of the

1 Department of Revenue evidencing the purchase of construction and building
2 materials used for constructing, rehabilitating, or renovating a residential dwelling.

3 C. The maximum amount of rebates that may be paid pursuant to the
4 provisions of this Section shall be limited to one million dollars annually. Rebates
5 shall be paid on a first-come, first-served basis until the maximum amount of rebates
6 for the year have been paid. If the total amount of rebates applied for in any year
7 exceeds the the aggregate amount of rebates allowed for that year, the excess amount
8 shall be treated as having been applied for on the first day of the subsequent year.
9 The secretary of the Department of Revenue shall pay rebates from the current
10 collections of the taxes collected pursuant to Chapter 2 of Subtitle II of this Title.

11 D. The secretary of the Department of Revenue may promulgate rules in
12 accordance with the Administrative Procedure Act as are necessary to implement the
13 provisions of this Section, including but not limited to rules providing for the form
14 and manner for claiming a rebate and for paying rebates on a first-come, first-served
15 basis.

16 Section 2. The provisions of this Act shall be applicable to purchases made on or
17 after July 1, 2022.

18 Section 3. This Act shall become effective on July 1, 2022; if vetoed by the governor
19 and subsequently approved by the legislature, this Act shall become effective on July 1,
20 2022, or on the day following such approval by the legislature, whichever is later.

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 429 Original

2022 Regular Session

Hilferty

Abstract: Establishes a rebate for state sales and use taxes paid by nonprofit charitable organizations on purchases of construction and building materials used for constructing, rehabilitating, or renovating residential dwellings.

Proposed law establishes a sales and use tax rebate for state taxes paid by nonprofit charitable organizations on purchases of construction and building materials used for constructing, rehabilitating, or renovating residential dwellings. The rebate may be claimed after the construction, rehabilitation, or renovation has been completed.

Proposed law requires claims for the rebate to be processed by the Dept. of Revenue (DOR) on a form and in the manner prescribed by the secretary. Further requires the nonprofit charitable organization claiming a rebate to submit documentation to DOR evidencing the purchase of construction and building materials used for constructing, rehabilitating, or renovating residential dwellings.

Proposed law limits the maximum amount of rebates paid annually to \$1M. Requires rebates to be paid on a first-come, first-served basis until the maximum amount of rebates have been paid. If the total amount of rebates applied for in a year exceeds the amount of rebates allowed for that year, the excess amount shall be treated as having been applied for on the first day of the subsequent year.

Proposed law requires DOR to pay rebates from the current sales tax collections.

Proposed law authorizes the secretary of DOR to promulgate rules as pursuant to present law as are necessary to implement the provisions of proposed law, including rules providing for the form and manner for claiming a rebate and for paying rebates on a first-come, first-served basis.

Proposed law is applicable to purchases made on or after July 1, 2022.

Effective July 1, 2022.

(Adds R.S. 47:305.75)