HLS 23RS-620

2023 Regular Session

HOUSE BILL NO. 161

BY REPRESENTATIVE KERNER

TAX/SALES-USE, LOCAL-EXEM: Changes local sales and use tax exemptions for commercial fishermen and certain seafood processing facilities from optional to mandatory

AN ACT

To amend and reenact R.S. 47:305.20(A), to enact R.S. 47:337.9(D)(15.1), and to repeal R.S. 47:305.20(G) and 337.10(N), relative to exemptions from sales and use taxes imposed by political subdivisions of the state; to provide relative to the local sales and use tax exemption for purchases by Louisiana commercial fishermen and certain seafood processing facilities; to enact the exemption as a mandatory exemption; to repeal provisions establishing the exemption as an optional exemption; to provide for terms designated as "key words" that are associated with certain local sales and use tax exemptions; to provide for effectiveness; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:305.20(A) is hereby amended and reenacted and R.S. 47:337.9(D)(15.1) is hereby enacted to read as follows:

§305.20. Exclusions and exemptions; Louisiana commercial fishermen

A. A Louisiana resident, domiciled in Louisiana, who possesses such valid Louisiana commercial fishing license(s) as may be necessary for commercial fishing ventures, including but not limited to a vessel license issued pursuant to R.S. 56:304, and who is an owner of a vessel operated primarily for the conduct of commercial fishing as a trade or business and which the Louisiana Department of Wildlife and Fisheries determines will be predominantly and principally used for commercial
fishing ventures and whose catch is for human consumption shall be exempt from 

state the sales, use, lease, and services taxes imposed by any taxing authority. The 
exemption shall comport with the provisions set forth in Subsection C of this 
Section. Possession of a commercial fishing license issued by the Department of 
Wildlife and Fisheries shall not be used as the sole determination that a vessel will 
be used predominantly and principally for commercial fishing ventures. This 
exemption shall also apply to facilities which process the catch from owners of 
commercial fishing vessels for which this exemption is granted when such vessels 
are owned by, or leased or contracted exclusively to, the seafood processing facility.

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

D.

(15.1) R.S. 47:305.20, "key words": Louisiana commercial fishermen and 
certain seafood processing facilities.

Section 2. R.S. 47:305.20(G) and 337.10(N) are hereby repealed in their entirety.

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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Abstract: Changes from optional to mandatory the local sales and use tax exemption for 
purchases by commercial fishermen and certain seafood processing facilities that 
own or lease commercial fishing vessels.

Present law provides for an exemption from state sales and use tax for purchases by La. 
commercial fishermen and certain seafood processing facilities that own or lease commercial 
fishing vessels. Establishes conditions and requirements for eligibility for the exemption. 
Proposed law retains present law.

Present law provides for certain mandatory exemptions from local sales and use taxes 
imposed by political subdivisions of the state; also provides for certain optional exemptions

CODING: Words in **struck through** type are deletions from existing law; words **underscored**
are additions.
from such taxes which local jurisdictions, at the discretion of their governing authorities, may adopt.

Present law provides that the exemption from state sales and use tax for purchases by La. commercial fishermen, and by certain seafood processing facilities, shall also be an optional local sales and use tax exemption. Proposed law repeals present law providing that this local sales and use tax exemption is an optional exemption.

Proposed law establishes a mandatory exemption from local sales and use taxes for purchases by La. commercial fishermen and by certain seafood processing facilities. Provides that the conditions and requirements for eligibility for the corresponding state sales and use tax exemption set forth in present law shall apply to the local sales and use tax exemption.

(Amends R.S. 47:305.20(A); Adds R.S. 47:337.9(D)(15.1); Repeals R.S. 47:305.20(G) and 337.10(N))