2023 Regular Session

HOUSE BILL NO. 204

BY REPRESENTATIVE DEVILLIER

TAX/SALES-USE, ST-EXEMPT: Provides relative to the state sales and use tax exemptions for food for home consumption, residential utilities, and prescription drugs.

AN ACT

To amend and reenact R.S. 47:302(BB)(1) through (5), 321(P)(1) through (5), 321.1(I)(1) through (5), and 331(V)(1) through (5) and to enact R.S. 47:305(D)(1)(v), relative to state sales and use tax; to provide relative to the state sales and use tax exemptions for food for home consumption, certain utilities for residential use, and prescription drugs; to establish in statute the constitutional sales and use tax exemption for electricity sold directly to the consumer for residential use; to revise citations of law associated with certain state sales and use tax exemptions; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:302(BB)(1) through (5), 321(P)(1) through (5), 321.1(I)(1) through (5), and 331(V)(1) through (5) are hereby amended and reenacted and R.S. 47:305(D)(1)(v) is hereby enacted to read as follows:

§302. Imposition of tax

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

CODING: Words in struck through type are deletions from existing law; words underscored are additions.
levied pursuant to the provisions of this Section, except for the retail sale, use, consumption, distribution, or storage for use or consumption of the following:

(1) Food for home consumption as defined and provided for in R.S. 47:305(D)(1)(n) through (r) on January 1, 2003, as provided in Article VII, Section 2.2 of the Constitution of Louisiana.

(2) Natural gas as provided in Article VII, Section 2.2 of the Constitution of Louisiana R.S. 47:305(D)(1)(g).

(3) Electricity as provided in Article VII, Section 2.2 of the Constitution of Louisiana R.S. 47:305(D)(1)(v).

(4) Water as provided in Article VII, Section 2.2 of the Constitution of Louisiana R.S. 47:305(D)(1)(c).

(5) Prescription drugs as provided in Article VII, Section 2.2 of the Constitution of Louisiana R.S. 47:305(D)(1)(j).

§305. Exclusions and exemptions from the tax

D.(1) The sale at retail, the use, the consumption, the distribution, and the storage to be used or consumed in the tax jurisdictions of the following tangible personal property is hereby specifically exempted from the tax imposed by taxing authorities, except as otherwise provided in this Paragraph:

*  *  *

(v) Solely for purposes of the state sales and use tax, electricity sold directly to the consumer for residential use.

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§321. Imposition of tax

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

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

(1) Food for home consumption as defined and provided for in R.S. 
47:305(D)(1)(n) through (r) on January 1, 2003, as provided in Article VII, Section 
2.2 of the Constitution of Louisiana. 

(2) Natural gas as provided in Article VII, Section 2.2 of the Constitution of 
Louisiana R.S. 47:305(D)(1)(g). 

(3) Electricity as provided in Article VII, Section 2.2 of the Constitution of 
Louisiana R.S. 47:305(D)(1)(v). 

(4) Water as provided in Article VII, Section 2.2 of the Constitution of 
Louisiana R.S. 47:305(D)(1)(c). 

(5) Prescription drugs as provided in Article VII, Section 2.2 of the 

§321.1. Imposition of tax

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

(1) Food for home consumption as defined and provided for in R.S. 
47:305(D)(1)(n) through (r) on January 1, 2003, as provided in Article VII, Section 
2.2 of the Constitution of Louisiana. 

(2) Natural gas as provided in Article VII, Section 2.2 of the Constitution of 
Louisiana R.S. 47:305(D)(1)(g). 

(3) Electricity as provided in Article VII, Section 2.2 of the Constitution of 
Louisiana R.S. 47:305(D)(1)(v).
(4) Water as provided in Article VII, Section 2.2 of the Constitution of Louisiana R.S. 47:305(D)(1)(c).

(5) Prescription drugs as provided in Article VII, Section 2.2 of the Constitution of Louisiana R.S. 47:305(D)(1)(j).

§331. Imposition of tax

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

(1) Food for home consumption as defined and provided for in R.S. 47:305(D)(1)(n) through (r) on January 1, 2003, as provided in Article VII, Section 2.2 of the Constitution of Louisiana.

(2) Natural gas as provided in Article VII, Section 2.2 of the Constitution of Louisiana R.S. 47:305(D)(1)(g).

(3) Electricity as provided in Article VII, Section 2.2 of the Constitution of Louisiana R.S. 47:305(D)(1)(v).

(4) Water as provided in Article VII, Section 2.2 of the Constitution of Louisiana R.S. 47:305(D)(1)(c).

(5) Prescription drugs as provided in Article VII, Section 2.2 of the Constitution of Louisiana R.S. 47:305(D)(1)(j).

Section 2. This Act shall take effect and become operative if and when the proposed amendment of Article VII of the Constitution of Louisiana contained in the Act which originated as House Bill No. ___ of this 2023 Regular Session of the Legislature is adopted at a statewide election and becomes effective.

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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 204 Original 2023 Regular Session DeVillier

Abstract: Codifies in statute the constitutional sales and use tax exemption for electricity sold directly to the consumer for residential use; revises citations of law associated with sales and use tax exemptions for other residential utilities, food for home consumption, and prescription drugs.

Present law imposes a state sales and use tax on the sale, use, lease, or rental of tangible personal property, which tax is composed of the following provisions of present law imposing levies in the following amounts:

- R.S. 47:302 ...... 2.00%
- R.S. 47:321 ...... 1.00%
- R.S. 47:321.1 ...... 0.45%
- R.S. 47:331 ...... 0.97%
- R.S. 51:1286 ...... 0.03%

Present constitution (Const. Art. VII, §2.2(B)) establishes exemptions from the state sales and use tax for food for home consumption; natural gas, electricity, and water sold directly to the consumer for residential use; and prescription drugs. Except for the exemption for electricity, each of these exemptions is also established as a statutory exemption within present law.

Proposed law establishes in statute the sales and use tax exemption for electricity sold directly to the consumer for residential use provided for in present constitution.

Effective if and when the amendment of Article VII of the Constitution of La. contained in the Act which originated as House Bill No. ___ of this 2023 R.S., which proposes to repeal constitutional protections for the exemptions addressed in present law and proposed law, is adopted at a statewide election and becomes effective.

(Amends R.S. 47:302(BB)(1)-(5), 321(P)(1)-(5), 321.1(I)(1)-(5), and 331(V)(1)-(5); Adds R.S. 47:305(D)(1)(v))

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