

2023 Regular Session

HOUSE BILL NO. 436

BY REPRESENTATIVE TRAVIS JOHNSON

TAX/SALES-USE, ST-EXEMPT: Provides a state sales tax exemption for certain farmers for acquisition of renewable energy systems and items and services for energy efficiency improvements

1 AN ACT

2 To enact R.S. 47:302(BB)(119), 305.79, 321(P)(120), 321.1(I)(120), and 331(V)(120),
3 relative to state sales and use tax exemptions; to establish a state sales and use tax
4 exemption for the purchase, use, lease, or rental by commercial farmers of renewable
5 energy systems and items or services used for energy efficiency improvements; to
6 provide for eligibility of commercial farmers for the exemption; to provide for
7 definitions; to authorize administrative rulemaking; and to provide for related
8 matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 47:302(BB)(119), 305.79, 321(P)(120), 321.1(I)(120), and
11 331(V)(120) are hereby enacted to read as follows:

12 §302. Imposition of tax

13 * * *

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

19 * * *

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

6 * * *

7 (120) Items or services used by commercial farmers for energy efficiency
8 improvements and renewable energy systems acquired by commercial farmers as
9 provided in R.S. 47:305.79.

10 * * *

11 §321.1. Imposition of tax

12 * * *

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

18 * * *

19 (120) Items or services used by commercial farmers for energy efficiency
20 improvements and renewable energy systems acquired by commercial farmers as
21 provided in R.S. 47:305.79.

22 * * *

23 §331. Imposition of tax

24 * * *

25 V. Notwithstanding any other provision of law to the contrary, including but
26 not limited to any contrary provisions of this Chapter, beginning July 1, 2018,
27 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 (120) Items or services used by commercial farmers for energy efficiency
5 improvements and renewable energy systems acquired by commercial farmers as
6 provided in R.S. 47:305.79.

7 * * *

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 436 Original

2023 Regular Session

Travis Johnson

Abstract: Establishes a state sales and use tax exemption for energy efficiency improvements and acquisition of renewable energy systems by commercial farmers who have received grants or loans through the Rural Energy for America Program.

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%

Proposed law exempts from the state sales and use tax the purchase, use, lease, or rental of any of the following by commercial farmers who have received grant funding or a guaranteed loan through the Rural Energy for America Program of the U.S. Dept. of Agriculture:

- (1) Items or services used for energy efficiency improvements.
- (2) Renewable energy systems.

Proposed law provides that for purposes of proposed law, "energy efficiency improvement" and "renewable energy system" have the meanings provided in federal regulations relative to the Rural Energy for America Program (7 CFR 4280.103).

Proposed law authorizes the secretary of the Dept. of Revenue to promulgate administrative rules as necessary to implement the provisions of proposed law.

(Adds R.S. 47:302(BB)(119), 305.79, 321(P)(120), 321.1(I)(120), and 331(V)(120))