

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

1 AN ACT

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

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 47:305.20(A) is hereby amended and reenacted and R.S.
12 47:337.9(D)(15.1) is hereby enacted to read as follows:

13 §305.20. Exclusions and exemptions; Louisiana commercial fishermen

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

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

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11 §337.9. Exemptions applicable to local tax in Chapters 2, 2-A, and 2-B; other
 12 exemptions applicable

* * *

14 D.

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16 (15.1) R.S. 47:305.20, "key words": Louisiana commercial fishermen and
 17 certain seafood processing facilities.

* * *

19 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)]

HB 161 Engrossed

2023 Regular Session

Kerner

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

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))