

**ACT No. 297**

2023 Regular Session

HOUSE BILL NO. 127

BY REPRESENTATIVE HUGHES

1 AN ACT

2 To amend and reenact R.S. 47:854(A) and (B) and 855 and to enact R.S. 26:421(F) and R.S.  
3 47:302(BB)(119), 305.79, 321(P)(120), 321.1(I)(120), and 331(V)(120), relative to  
4 state excise and sales and use taxes; to provide for exemptions from such taxes; to  
5 exempt from such taxes the furnishing of alcoholic beverages, products otherwise  
6 subject to the state tobacco tax, and other items at no charge as samples at, or in  
7 conjunction with, conferences, conventions, expositions, trade shows, and similar  
8 events; to provide for limitations on the exemptions; to terminate the exemptions on  
9 a certain date; and to provide for related matters.

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 26:421(F) is hereby enacted to read as follows:

12 §421. Exempt products

13 \* \* \*

14 F.(1)(a) No tax imposed pursuant to the provisions of this Chapter shall  
15 apply to the furnishing of an alcoholic beverage at no charge as a sample in a  
16 business-to-business exchange at, or in conjunction with, a conference, convention,  
17 exposition, trade show, professional or trade association event, business or  
18 professional meeting, corporate event, or exhibition of any kind held in this state.

19 (b)(i) For purposes of this Subsection, "business-to-business exchange"  
20 means the distribution by a business of free samples in a limited quantity with  
21 nominal value to another business as part of a genuine effort to sell or market the  
22 product being sampled to that business.



1                     **(b) For purposes of this Paragraph, "nominal value" means a value which is**  
 2                     **so small or slight that it is not considered real or substantial in comparison with what**  
 3                     **might reasonably be expected.**

4                     **B. The exemption provided for in this Section shall terminate on August 1,**  
 5                     **2033, and shall have no effect on and after that date.**

6                                     \*       \*       \*

7                     §321. Imposition of tax

8                                     \*       \*       \*

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

14                                    \*       \*       \*

15                     **(120) Items furnished at no charge as samples at conferences, conventions,**  
 16                     **expositions, trade shows, or similar events as provided in R.S. 47:305.79.**

17                                    \*       \*       \*

18                     §321.1. Imposition of tax

19                                    \*       \*       \*

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

25                                    \*       \*       \*

26                     **(120) Items furnished at no charge as samples at conferences, conventions,**  
 27                     **expositions, trade shows, or similar events as provided in R.S. 47:305.79.**

28                                    \*       \*       \*

1 §331. Imposition of tax

2 \* \* \*

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

8 \* \* \*

9 (120) Items furnished at no charge as samples at conferences, conventions,  
 10 expositions, trade shows, or similar events as provided in R.S. 47:305.79.

11 \* \* \*

12 §854. Declaration of intent and purpose of Chapter

13 A. It is the intent and purpose of this Chapter to levy an excise tax on all  
 14 cigars, cigarettes, and smoking tobacco, as defined in this Chapter, sold, used,  
 15 consumed, handled, or distributed in this state, except as provided in R.S. 47:855,  
 16 and to collect same from the dealer who first sells, uses, consumes, handles, or  
 17 distributes the same in the state of Louisiana.

18 B. It is further the intent and purpose of this Chapter that, except as provided  
 19 in R.S. 47:855, where a dealer gives away cigars, cigarettes, or smoking tobacco for  
 20 advertising or any other purpose whatsoever the products shall be taxed in the same  
 21 manner as if they were sold, used, consumed, handled, or distributed in this state;  
 22 ~~however, for the taxable periods beginning on and after January 1, 2013, through~~  
 23 ~~December 31, 2025, this shall not be construed to include cigars or pipe tobacco, as~~  
 24 ~~defined and appropriately labeled in accordance with the Federal Food, Drug, and~~  
 25 ~~Cosmetic Act, the Family Smoking Prevention and Tobacco Control Act, also known~~  
 26 ~~as the Tobacco Control Act, and all applicable state laws, federal laws, and~~  
 27 ~~regulations, sampled on the premises of convention facilities during the convention~~  
 28 ~~of the International Premium Cigar and Pipe Retailers Association.~~

29 \* \* \*

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

1           §855. Exemption from tax

2                   A. Smoking and chewing tobacco purchased by or for state institutions for  
3 issue to the inmates of the same is hereby exempted from the taxes levied by this  
4 Chapter, ~~provided;~~ however, nothing in this ~~Section~~ Subsection shall be construed  
5 to exempt the tax on manufactured cigarettes and cigars.

6                   B.(1)(a) No tax levied by this Chapter shall apply to the furnishing of a  
7 product at no charge as a sample in a business-to-business exchange at, or in  
8 conjunction with, a conference, convention, exposition, trade show, professional or  
9 trade association event, business or professional meeting, corporate event, or  
10 exhibition of any kind held in this state.

11                   (b)(i) For purposes of this Subsection, "business-to-business exchange"  
12 means the distribution by a business of free samples in a limited quantity with  
13 nominal value to another business as part of a genuine effort to sell or market the  
14 product being sampled to that business.

15                   (ii) For purposes of this Subparagraph, "nominal value" means a value which  
16 is so small or slight that it is not considered real or substantial in comparison with  
17 what might reasonably be expected.

18                   (2) The exemption provided for in this Subsection shall terminate on August  
19 1, 2033, and shall have no effect on and after that date.

20           Section 3. The provisions of Sections 1 and 2 of this Act shall apply to taxable  
21 periods beginning on or after August 1, 2023.

\_\_\_\_\_  
SPEAKER OF THE HOUSE OF REPRESENTATIVES

\_\_\_\_\_  
PRESIDENT OF THE SENATE

\_\_\_\_\_  
GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_