

2024 Regular Session

HOUSE BILL NO. 827

BY REPRESENTATIVE TURNER

TAX/TAX REBATES: Provides relative to the sales and use tax rebate on the sale of certain fiber-optic cable equipment

1 AN ACT

2 To amend and reenact R.S. 47:305.73, relative to sales and use tax rebates; to provide  
3 relative to the state and local sales and use tax rebate on the sale of certain fiber-optic  
4 cable equipment; to provide relative to definitions that apply for purposes of the  
5 rebate; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:305.73 is hereby amended and reenacted to read as follows:

8 §305.73. Rebates; sales and use tax for fiber-optic cable equipment

9 A.(1) A winning bidder that is awarded a census block by the Federal  
10 Communications Commission in the Rural Digital Opportunity Fund Auction, shall  
11 be eligible for a rebate of state and local sales and use taxes paid by the winning  
12 bidder on fiber-optic cable equipment used to distribute fixed and mobile broadband  
13 networks to eligible rural unserved areas in Louisiana. The amount of the rebate  
14 shall equal fifty percent of the sales and use tax paid by the winning bidder on fiber-  
15 optic cable equipment.

16 (2) The following words shall have the ~~following~~ meanings ascribed to them  
17 in this Paragraph unless the context clearly indicates otherwise:

18 (a) "Fiber-optic cable equipment" means:

19 (i) Telecommunications fiber.

20 (ii) Wires.

- 1 (iii) Poles.
- 2 (iv) Supports.
- 3 (v) Lashing cable.
- 4 (vi) Conduit.
- 5 (vii) Communication handholes.
- 6 (viii) Customer premise equipment.

7 (b) "Unserved area" means an area that has service levels below the  
8 minimum acceptable level of fixed broadband service as defined in 7 U.S.C.  
9 950bb(e)(1).

10 (3) Each item of fiber-optic cable equipment shall be eligible for only a  
11 single rebate pursuant to this Section. Subsequent transactions involving the sale or  
12 resale of the same item of fiber-optic cable equipment shall not be eligible for this  
13 rebate.

14 (4) The rebate authorized pursuant to this Section shall not be allowed for  
15 the purchases of fiber-optic cable equipment that are paid for with state or federal  
16 funds, unless the state or federal funds are reported as taxable income or are  
17 structured as repayable loans.

18 B. Requests for the rebates of state sales and use taxes pursuant to the  
19 provisions of this Section shall be processed by the Department of Revenue. A  
20 purchaser shall claim a state rebate using the form and in the manner prescribed by  
21 the Department of Revenue. The purchaser who claims a rebate shall submit  
22 documentation to the secretary of the Department of Revenue evidencing the  
23 purchase of fiber-optic cable equipment and documentation evidencing the purchaser  
24 is a winning bidder that was awarded a census block by the Federal Communications  
25 Commission in the Rural Digital Opportunity Fund Auction. The secretary of the  
26 Department of Revenue may promulgate rules in accordance with the Administrative  
27 Procedure Act as are necessary to implement the provisions of this Section, including  
28 rules to provide for the form and manner for claiming a rebate.

1           C. Requests for the rebate of local sales and use taxes pursuant to the  
2           provisions of this Section shall be processed by the appropriate local taxing  
3           authority. A purchaser shall claim a local rebate using the form and in the manner  
4           required by the local taxing authority. The purchaser who claims the rebate shall  
5           submit documentation to the local taxing authority evidencing the purchase of fiber-  
6           optic cable equipment and documentation evidencing the purchaser is a winning  
7           bidder that was awarded a census block by the Federal Communications Commission  
8           in the Rural Digital Opportunity Fund Auction. The Louisiana Uniform Local Sales  
9           Tax Board may promulgate rules and regulations in accordance with the  
10          Administrative Procedure Act as necessary for the implementation of this Section.

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 827 Original

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Turner

**Abstract:** Revises provisions relating to the state and local sales and use tax rebate on the sale of certain fiber-optic cable equipment.

Present law provides that certain winning bidders in the Federal Communications Commission's Rural Digital Opportunity Fund Auction shall be eligible for a rebate of state and local sales and use taxes paid by those bidders on fiber-optic cable equipment used to distribute fixed and mobile broadband networks to eligible rural unserved areas in La. Establishes that the amount of the rebate is 50% of the sales and use tax paid by the bidder on fiber-optic cable equipment.

Present law defines terms used in connection with the rebate. Proposed law makes a technical change within present law. Otherwise, retains present law.

(Amends R.S. 47:305.73)