

SENATE BILL NO. 500

BY SENATOR REESE AND REPRESENTATIVES BAYHAM, BRASS, CARRIER,
ECHOLS, EMERSON, JACKSON, MIKE JOHNSON AND OWEN

1 AN ACT

2 To enact R.S. 47:337.11.4, relative to the levy of local fees and taxes on certain nongaming
3 incentives or inducements; to provide relative to the imposition of local hotel
4 occupancy taxes; to prohibit the levy of local fees and taxes by a local governing
5 authority on nongaming incentives or inducements awarded by certain gaming
6 licensees; to provide for effectiveness; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 47:337.11.4 is hereby enacted to read as follows:

9 **§337.11.4. Local taxes; prohibition on levy of local taxes on nongaming**
10 **incentives or inducements**

11 **A.(1) Except as expressly provided in R.S. 33:4574.11 or by express**
12 **written agreement duly signed and consented by a local governing authority and**
13 **the holder of a license as defined in R.S. 27:44 and provided for in Chapter 4 of**
14 **Title 27 of the Louisiana Revised Statutes of 1950, no local governing authority,**
15 **including a local political subdivision or school board, shall levy any fee or tax**
16 **on nongaming incentives or inducements granted by such licensee to a patron**
17 **on a complimentary basis, or solely through the redemption of rewards from a**
18 **loyalty rewards program, including room stays. If nongaming incentives or**
19 **inducements are granted to a patron by a licensee on a discounted basis, or**
20 **partially through the redemption of rewards from a loyalty rewards program,**
21 **any fee or taxes levied shall be limited to the actual cash portion, if any, paid by**
22 **the patron and no tax shall be applied to the extent of the discount or rewards.**

23 **(2) Except as expressly provided in R.S. 33:4574.11 or by express written**
24 **agreement duly signed and consented to by a local governing authority and the**

1 holder of a license as defined in R.S. 27:353 and provided for in Chapter 7 of
2 Title 27 of the Louisiana Revised Statutes of 1950, no local governing authority,
3 including a local political subdivision or school board, shall levy any fee or tax
4 on nongaming incentives or inducements granted by such licensee to a patron
5 on a complimentary basis, or solely through the redemption of rewards from a
6 loyalty rewards program, including room stays. If nongaming incentives or
7 inducements are granted to a patron by a licensee on a discounted basis, or
8 partially through the redemption of rewards from a loyalty rewards program,
9 any fee or taxes levied shall be limited to the actual cash portion, if any, paid by
10 the patron and no tax shall be applied to the extent of the discount or rewards.

11 B. No provision of this Section shall be construed to change the definition
12 of net gaming proceeds for the purpose of the taxes provided for pursuant to
13 Title 27 of the Louisiana Revised Statutes of 1950, nor shall it increase any
14 allowance for promotional play provided for by law.

15 C. Notwithstanding any other provision of this Section to the contrary,
16 nothing in this Section shall be interpreted to restrict the imposition of sales or
17 use tax on the following:

18 (1) Any sales tax levied upon the purchase by a licensee of tangible
19 personal property, including meals and beverages, used as a complimentary
20 incentive or inducement.

21 (2) Any use tax levied upon the use by a licensee of tangible personal
22 property, including meals and beverages, used as a complimentary incentive or
23 inducement.

24 (3) Any sales or use tax due on parking, admissions, or entertainment
25 provided on a complimentary or discounted basis if that tax is otherwise due
26 under applicable law.

27 Section 2. This Act is interpretative and not substantive; it does not change the law
28 or establish new rules, rights, or duties to any person.

29 Section 3. This Act shall become effective upon signature by the governor or, if not
30 signed by the governor, upon expiration of the time for bills to become law without signature

1 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
2 vetoed by the governor and subsequently approved by the legislature, this Act shall become
3 effective on the day following such approval.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____