
DIGEST

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HB 334 Original

2025 Regular Session

Tarver

Abstract: Decreases the state sales and use tax levy from 5% to 4%.

Present law imposes state sales and use taxes on the sale, use, lease, or rental of tangible personal property pursuant to the following levies in the following amounts:

- (1) R.S. 47:302 - 2%
- (2) R.S. 47:321 - 1%
- (3) R.S. 47:321.1 - 1%
- (4) R.S. 47:331 - 1%

Proposed law retains present law but reduces the total 5% levy of the state sales and use tax from 5% to 4% by repealing the 1% levy contained in R.S. 47:321.1.

Conforming changes

Present law (R.S. 39:467) exempts sales occurring for or at an event at a state-owned domed facility or baseball facility from sales and use taxes imposed by the state and political subdivisions. Further provides that, notwithstanding any contrary provision of law, these exemptions apply on and after April 1, 2016. Proposed law removes a cross reference to the levy repealed pursuant to proposed law and otherwise retains present law.

Present law (R.S. 39:468) exempts sales occurring at an event conducted at a facility owned and operated by or for any unit of state government or a political subdivision or on the publicly owned property on which the facility is located from sales and use and amusement taxes levied by the state and political subdivisions. Proposed law removes a cross reference to the levy repealed pursuant to proposed law and otherwise retains present law.

Present law (R.S. 47:305) exempts any materials or energy sources used to fuel the generation of electric power for resale or by an industrial manufacturing plant for self-consumption or cogeneration, or energy sources used for boiler fuel except refinery gas from state and local sales and use tax. Further exempts sales, for nonresidential purposes, of mineral water or carbonated water or any water put in bottles, jugs, or containers from state sales tax. Proposed law removes cross references to the levy repealed pursuant to proposed law and otherwise retains present law.

Present law (R.S. 47:305.39) exempts direct consumer purchases of butane, propane, or other liquefied petroleum gases for the private residential purposes of cooking and heating from state sales and use tax. Proposed law removes a cross reference to the levy repealed pursuant to proposed law and otherwise retains present law.

Present law (R.S. 47:306) authorizes a deduction for each dealer to compensate it for accounting for and remitting the taxes levied pursuant to present law. Provides restrictions and qualifications for the deduction. Proposed law retains present law. Present law provides that no compensation accounting and remittal of taxes shall be taken for sales taxes levied by the state pursuant to R.S. 47:321.1. Proposed law repeals this provision.

Present law (R.S. 47:318) dedicates a portion of taxes collected pursuant to present law to the Marketing Fund in the state treasury for use by La. Economic Development for certain economic development activities. Exempts monies collected pursuant to R.S. 47:321.1 from such dedication. Proposed law repeals this exemption and otherwise retains present law.

Proposed law directs the La. State Law Institute to correct any references to repealed law contained in present law (R.S. 47:321 and 331) in conformity with the provisions of proposed law.

Effective July 1, 2025.

(Amends R.S. 39:467(H) and 468(G) and R.S. 47:305(C)(3), 305.39, 306(A)(3)(a), and 318(A); Repeals R.S. 47:321.1)