

2025 Regular Session

SENATE BILL NO. 45

BY SENATORS MCMATH, BASS, BOUDREAUX, CATHEY, DUPLESSIS,
EDMONDS, FESI, FOIL, HENRY, JACKSON-ANDREWS, LUNEAU,
MIGUEZ, MYERS, REESE, SELDERS, STINE AND TALBOT

TAX EXEMPTIONS. Exempts purchases of motor vehicles by certain veterans and their spouses from sales and use taxes and the vehicle registration and license tax. (7/1/25)

AN ACT

To enact R.S. 47:305.37 and 479.2, relative to tax exemptions; to authorize an exemption from motor vehicle registration and license taxes and fees for certain veterans and their spouses; to authorize a sales and use tax exemption for motor vehicles; to provide for eligibility requirements; to provide for limitations; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:305.37 and 479.2 are hereby enacted to read as follows:

§305.37. Exclusions and exemptions; honorably discharged veteran, retired veteran, or their spouse

A. The sales and use taxes levied by any taxing authority shall not apply to the sale at retail, the purchase, or the importation of a motor vehicle by an honorably discharged veteran, a retired veteran, or their spouse.

B. In order to qualify for the exemption, the purchase of the motor vehicle by an honorably discharged veteran or their spouse shall occur within two years after the date of the veteran's separation from service. Proof of eligibility for the exemption shall be determined by rules promulgated pursuant

1 to this Section.

2 C. In order to qualify for the exemption, the purchase of the motor
3 vehicle by a retired veteran or their spouse shall occur within two years after
4 the date of the veteran's retirement. Proof of eligibility for the exemption shall
5 be determined by rules promulgated pursuant to this Section.

6 D. This Section applies to motor vehicles owned and operated by an
7 honorably discharged veteran, a retired veteran, or their spouse except any
8 commercial vehicle utilized for commercial use as defined in R.S. 47:451.

9 E. The Department of Revenue shall promulgate rules and regulations
10 to administer the exemption provided for in this Section. Any person not in
11 compliance with the rules and regulations shall not be entitled to the exemption.

12 F. The exemption provided for in this Section shall apply only to the first
13 purchase of the honorably discharged veteran, retired veteran, or their spouse
14 after July 1, 2025.

15 * * *

16 §479.2. Exemptions from license fee or tax; honorably discharged veteran,
17 retired veteran, or their spouse

18 A. A motor vehicle owned and operated by an honorably discharged
19 veteran, a retired veteran, or their spouse shall be exempt from the payment of
20 vehicle registration and license taxes upon initial issuance or renewal, when
21 registered within two years after the date of the veteran's date of retirement or
22 separation from service.

23 B. Proof of eligibility for the exemption shall be determined by rules
24 promulgated pursuant to this Section. The Department of Public Safety and
25 Corrections, office of motor vehicles, shall promulgate rules and regulations to
26 administer the exemption provided for in this Section. Any person not in
27 compliance with the rules and regulations shall not be entitled to the exemption.

28 C. The provisions of this Section shall apply to any personalized license
29 plate or any special prestige license plate that is classified as a military honor

1 **plate.**

2 **D. The exemption provided for in this Section shall apply only to the first**
 3 **purchase of the honorably discharged veteran, retired veteran, or their spouse**
 4 **after July 1, 2025.**

5 Section 2. This Act shall become effective on July 1, 2025, and shall be applicable
 6 to taxable periods beginning on and after July 1, 2025.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Senate Legislative Services. The keyword, summary, 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)]

DIGEST

SB 45 Reengrossed

2025 Regular Session

McMath

Present law imposes state and local sales and use taxes upon the sale or use of any motor vehicle, automobile, motorcycle, truck, truck-tractor, trailer, semitrailer, motor bus, house trailer, or any other vehicle subject to the vehicle registration license tax.

Proposed law authorizes a state and local sales and use tax exemption for any motor vehicle purchased by an honorably discharged veteran, a retired veteran, or their spouse.

Proposed law specifies that the purchase of the motor vehicle by an honorably discharged veteran, a retired veteran, or their spouse shall occur within two years after the date of the veteran's retirement or separation from service. Proposed law further provides that proof of eligibility for the exemption shall be determined through the promulgation of rules by the Dept. of Revenue.

Present law requires every owner of a motor vehicle, trailer, or semitrailer, or other vehicle intended to be operated upon the public highways in the state to obtain registration and pay the vehicle registration and license tax.

Proposed law exempts a motor vehicle owned and operated by an honorably discharged veteran, a retired veteran, or their spouse from the payment of vehicle registration and license taxes upon issuance or renewal, when registering a motor vehicle within two years after the date of the veteran's date of retirement or separation from service.

Proposed law further provides proof of eligibility for the exemption shall be determined through the promulgation of rules by the Dept. of Public Safety and Corrections, office of motor vehicles.

Proposed law provides that the tax exemption for vehicle registration and license taxes for veterans and their spouses shall apply to any personalized license plate or special prestige license plate that is classified as a military honor plate.

Proposed law provides that the motor vehicle exemptions for sales and use tax and for registration and license tax shall apply only to the first purchase of a motor vehicle by an honorably discharged veteran, a retired veteran, or their spouse after July 1, 2025.

Effective July 1, 2025, and applicable to taxable periods beginning on and after July 1, 2025.

(Adds R.S. 47:305.37 and 479.2)

Summary of Amendments Adopted by SenateCommittee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the original bill

1. Clarifies that the exemption occurs upon issuance or renewal.
2. Provides that the tax exemption shall not apply to any personalized license plate or special prestige license plate which is not classified as a military honor plate.

Senate Floor Amendments to engrossed bill

1. Provides that the motor vehicle exemptions for sales and use tax and for registration and license tax shall apply only to the first purchase of a motor vehicle by an honorably discharged veteran, a retired veteran, or their spouse after July 1, 2025.
2. Makes a technical change.