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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)]

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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 Senate

### Committee 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.