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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Alan Miller.

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## DIGEST

Present law defines "secondhand dealer" persons engaged in the business of buying, selling, trading in, or otherwise acquiring or disposing of used or secondhand property.

Proposed law provides for an exception to the definition of "secondhand dealer" to exclude persons holding an occupational license as a retail dealer in merchandise accepting used or secondhand property as part of a retail trade-in program that allows customers to trade-in property for a similar item of greater value or a gift card, gift certificate, coupon, or rebate, provided that the retail business of licensed retail dealer constitutes the major portion of the taxable annual gross sales and receipts of the business.

Present law requires every secondhand dealer to maintain a book or ledger setting forth each purchase of secondhand or used merchandise when the value of any single piece of merchandise or article received, or any single lot of used building components, shall be \$25 or more for each single transaction. The price at which a piece of merchandise is offered for sale by a secondhand dealer is considered prima facie evidence of the value of the piece of merchandise.

Proposed law requires that persons excluded from definition of "secondhand dealer" to maintain a book or ledger setting forth each item of used or secondhand property accepted under a retail trade-in program when the trade-in value given for any single piece of merchandise or article exceeds \$25.

Proposed law provides that for persons excluded from definition of "secondhand dealer" that the discount given on the item of greater value or the amount issued on a gift card, gift certificate, coupon, or rebate shall be considered prima facie evidence of the trade-in value of the piece of merchandise.

Proposed law requires persons excluded from definition of "secondhand dealer" to maintain a ledger entry that contains a description of the merchandise or article received, including serial numbers, if distinguishable, the name, address, and driver's license number of the person delivering said merchandise or articles, and the value given to the merchandise or article under the retail trade-in program.

Proposed law requires persons excluded from definition of "secondhand dealer" to preserve records for a period of at least three years.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Adds R.S. 37:1861(C) and 1864(C))