

Regular Session, 2013

HOUSE BILL NO. 418

BY REPRESENTATIVE EDWARDS

TAX/SALES & USE: Provides with respect to the state and local sales and use tax exemption for sales at certain events sponsored by nonprofit organizations

1 AN ACT

2 To amend and reenact R.S. 47:305.14(C), relative to sales and use tax; to provide with
3 respect to the exemption for sales of tangible personal property and services at events
4 sponsored by certain nonprofit organizations; to provide for applicability; to provide
5 with regard to exemption certificates; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:305.14(C) is hereby amended and reenacted to read as follows:

8 §305.14. Exclusions and exemptions; nonprofit organizations; nature of exemption;
9 limitations; qualifications; newspapers; determination of tax exempt status

10 * * *

11 C. ~~An~~ (1) Except as provided in Paragraph (2) of this Subsection, an
12 exemption certificate ~~must~~ shall be obtained from the collector of revenue, under
13 such regulations as he shall prescribe, in order for nonprofit organizations to qualify
14 for the exemption provided in this ~~section~~ Section.

15 (2) The exemption authorized in this Section shall apply without the
16 necessity of an exemption certificate under either of the following conditions:

17 (a) For organizations eligible for the exemption pursuant to Subparagraph
18 (1)(a) of Subsection A, the first event sponsored by an organization during each
19 calendar quarter, which event may last no longer than seven days.

- 1 (b) For organizations eligible for the exemption pursuant to Subparagraph
 2 (1)(b) of Subsection A, the first event sponsored by an organization during each
 3 calendar quarter, which event may last no longer than twelve days.
- 4 (3) In the event the collector of revenue denies tax exempt status under this
 5 section, the organization may appeal such ruling to the Louisiana Board of Tax
 6 Appeals, which may overrule the collector of revenue and grant tax exempt status if
 7 the Louisiana Board of Tax Appeals determines that the denial of tax exempt status
 8 by the collector of revenue was arbitrary, capricious, or unreasonable.
- 9 (4) Provided however, that any organization which endorses any candidate
 10 for political office or otherwise is involved in political activities shall not be eligible
 11 for the exemption herein provided.
- 12 * * *

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, 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)]

Edwards HB No. 418

Abstract: Authorizes an exemption from state and local sales and use tax for sales occurring at events sponsored by nonprofit organizations.

Present law provides an exemption from state and local sales and use tax on sales occurring at events sponsored by nonprofit domestic, civic, educational, historical, charitable, fraternal, or religious organizations.

Present law requires that in order to qualify for the exemption an organization must obtain an exemption certificate from the collector of revenue. The collector shall prescribe the method for obtaining the exemption certificate by regulation.

Proposed law retains present law and provides for applicability of the exemption without the necessity of obtaining an exemption certificate for one event per organization per calendar quarter if the event does not exceed seven days in length, or 12 days in length for those events specifically identified under present law as events that last up to 12 days.

(Amends R.S. 47:305.14(C))