

Regular Session, 2013

HOUSE BILL NO. 716

BY REPRESENTATIVE RICHARD

TAX/SALES & USE: Decreases the state sales and use tax rate and repeals exclusions and exemptions from state sales and use tax

1 AN ACT

2 To amend and reenact R.S.47:301, 301.1(B), (D), and (E), 302(A), (B), (C)(1), and (D),  
3 321(A) through (C), 302.1(A), 305(A)(1), (3), and (4)(a), (D)(1)(introductory  
4 paragraph), and (I) introductory paragraph), 305.1(A) and (B), 305.3, 305.6, 305.7,  
5 305.9, 305.13, 305.14(A)(1)(a) and (5), 305.16, 305.17, 305.19, 305.20(A),  
6 305.25(A) and (B), 305.41, 305.44(A)(introductory paragraph),  
7 305.45(A)(introductory paragraph), 305.46(A)(introductory paragraph), 305.49,  
8 305.50(A)(1), 305.51(A), 305.53(A), 305.57(A), 305.61(A), 305.65(A), 305.69(A),  
9 and 305.70 and to repeal R.S. 47:305(A)(2), (5), and (6), (D)(1)(f), (2)(a)(iv) and (v)  
10 and (b) and (3), 305.18, 305.26, 305.33, 305.36, 305.40, 305.42, 305.43, 305.54,  
11 305.56, 305.62, 305.63, 305.64, 305.66, 305.67, and 305.68, relative to state sales  
12 and use tax; to provide for the tax rate; to provide with respect to exemptions,  
13 exclusions, and other special tax treatment regarding taxes on tangible personal  
14 property and services; to provide for effectiveness; and to provide for related matters.

15 Be it enacted by the Legislature of Louisiana:

16 Section 1. R.S.47:301, 301.1(B), (D), and (E), 302(A), (B), (C)(1), and (D), 321(A)  
17 through (C), 302.1(A), 305(A)(1), (3), and (4)(a), (D)(1)(introductory paragraph), and (I)  
18 introductory paragraph), 305.1(A) and (B), 305.3, 305.6, 305.7, 305.9, 305.13,  
19 305.14(A)(1)(a) and (5), 305.16, 305.17, 305.19, 305.20(A), 305.25(A) and (B), 305.41,  
20 305.44(A)(introductory paragraph), 305.45(A)(introductory paragraph),

1 305.46(A)(introductory paragraph), 305.49, 305.50(A)(1), 305.51(A), 305.53(A), 305.57(A),  
2 305.61(A), 305.65(A), 305.69(A), and 305.70 are hereby amended and reenacted to read as  
3 follows:

4 §301. Definitions

5 As used in this Chapter the following words, terms, and phrases have the  
6 meaning ascribed to them in this Section, unless the context clearly indicates a  
7 different meaning:

8 (1) "Business" includes any activity engaged in by any person or caused to  
9 be engaged in by him with the object of gain, benefit, or advantage, either direct or  
10 indirect. The term "business" shall not be construed to include the occasional and  
11 isolated sales by a person who does not hold himself out as engaged in business.

12 (2) "Collector" shall mean and include (a) the secretary of the Department  
13 of Revenue for the state of Louisiana and includes his duly authorized assistants,  
14 when used in reference to a sales and use tax levied by the state, or (b) the individual  
15 or entity designated as collector of the appropriate single sales and use tax collection  
16 office, and his duly authorized assistants, of any political subdivision authorized  
17 under the constitution and laws of the state of Louisiana to levy and collect a sales  
18 and use tax, except a statewide political subdivision, when used in reference to a  
19 sales and use tax levied by such political subdivision.

20 (3)(a) "Cost price" means the actual cost of the articles of tangible personal  
21 property without any deductions therefrom on account of the cost of materials used,  
22 labor, or service cost, ~~except those service costs for installing the articles of tangible~~  
23 ~~personal property if such cost is separately billed to the customer at the time of~~  
24 ~~installation~~, transportation charges, or any other expenses whatsoever, or the  
25 reasonable market value of the tangible personal property at the time it becomes  
26 susceptible to the use tax, whichever is less.

27 (b) In the case of tangible personal property which has acquired a tax situs  
28 in a taxing jurisdiction and is thereafter transported outside the taxing jurisdiction for  
29 repairs performed outside the taxing jurisdiction and is thereafter returned to the

1       taxing jurisdiction, the cost price shall be deemed to be the actual cost of any parts  
2       and/or materials used in performing such repairs, if applicable labor charges are  
3       separately stated on the invoice. If the applicable labor charges are not separately  
4       stated on the invoice, it shall be presumed that the cost price is the total charge  
5       reflected on the invoice.

6               (c) "Cost price" solely for purposes of sales and use tax imposed by a  
7       political subdivision shall not include the supplying and installation of board roads  
8       to oil field operators if the installation charges are separately billed to the customer  
9       at the time of installation.

10              (d)(i) ~~In~~ Solely for purposes of sales and use tax imposed by a political  
11       subdivision, in the case of interchangeable components located in Louisiana, a  
12       taxpayer may elect to determine the cost price of such components as follows:

13              (aa) The taxpayer shall send to the ~~secretary~~ political subdivision a written  
14       notice of the calendar month selected by the taxpayer as the first month for the  
15       determination of cost price under this Paragraph (the "First Month"). The taxpayer  
16       may select any month. The taxpayer shall send to the ~~secretary~~ political subdivision  
17       notice of an election to designate a First Month on the first day of the designated  
18       First Month, or ninety days from July 1, 1990, whichever is later.

19              (bb) For the First Month and each month thereafter, cost price shall be based  
20       and use tax shall be paid only on one-sixtieth of the aggregate cost price of the  
21       interchangeable components deployed and earning revenue within Louisiana during  
22       the month, without regard to any credit or other consideration for Louisiana state,  
23       political subdivision, or school board use tax previously paid on such  
24       interchangeable components.

25              (cc) Any election made under this Paragraph shall be irrevocable for a period  
26       of sixty consecutive months inclusive of the First Month. If at any time after the  
27       sixty-month period the taxpayer revokes its election, no credit or other consideration  
28       for use taxes paid pursuant thereto shall be applied to any use tax liability arising  
29       after such revocation.

1 (ii)(aa) For purposes of this Paragraph, "interchangeable component" means  
2 a component that is used or stored for use in measurement-while-drilling instruments  
3 or systems manufactured or assembled by the taxpayer, which measurement-while-  
4 drilling instruments or systems collectively generate eighty percent or more of their  
5 annual revenue from their use outside of the state.

6 (bb) "Measurement-while-drilling instruments or systems" means  
7 instruments or systems which measure information from a downhole location in a  
8 borehole, transmit the information to the surface during the process of drilling the  
9 borehole using a wireless technique, and receive and decode the information on the  
10 surface.

11 (iii) The method for determining cost price of interchangeable components  
12 provided for in this Paragraph shall apply to any use taxes imposed by a local  
13 political subdivision ~~or school board~~. For purposes of that application, the words  
14 "political subdivision" ~~or "school board" as the case may be~~, shall be substituted for  
15 the words "Louisiana" or "State" in each instance where those words appear in this  
16 Paragraph and an appropriate official of the local political subdivision or school  
17 board shall be designated to receive the notices required by this Paragraph.

18 (e) "Cost price" solely for purposes of sales and use taxes imposed by a  
19 political subdivision, shall not include any amount designated as a cash discount or  
20 a rebate by a vendor or manufacturer of any new vehicle subject to the motor vehicle  
21 license tax. For purposes of this Paragraph "rebate" means any amount offered by  
22 the vendor or manufacturer as a deduction from the listed retail price of the vehicle.

23 (f) ~~The~~ Solely for purposes of sales and use taxes imposed by a political  
24 subdivision, the "cost price" of refinery gas shall be fifty-two cents per thousand  
25 cubic feet multiplied by a fraction the numerator of which shall be the posted price  
26 for a barrel of West Texas Intermediate Crude Oil on December first of the preceding  
27 calendar year and the denominator of which shall be twenty-nine dollars, and  
28 provided further that such cost price shall be the maximum value placed upon

1 refinery gas by the state and by any political subdivision under any authority or grant  
2 of power to levy and collect use taxes.

3 (g) "Cost price", for purposes of the use tax imposed by ~~the state and its any~~  
4 ~~political subdivisions~~ subdivision, shall exclude any amount that a manufacturer pays  
5 directly to a dealer of the manufacturer's product for the purpose of reducing and that  
6 actually results in an equivalent reduction in the retail "cost price" of that product.  
7 This exclusion shall not apply to the value of the coupons that dealers accept from  
8 purchasers as part payment of the "sales price" and that are redeemable by the  
9 dealers through manufacturers or their agents. The value of such coupons is deemed  
10 to be part of the "cost price" of the product purchased through the use of the coupons.

11 (h)(i) For purposes of a publishing business which distributes its news  
12 publications at no cost to readers and pays unrelated third parties to print such news  
13 publications, the term "cost price" shall mean only the lesser of the following costs:

14 (aa) The printing cost paid to unrelated third parties to print such news  
15 publications, ~~less any itemized freight charges for shipping the news publications~~  
16 ~~from the printer to the publishing business and any itemized charges for paper and~~  
17 ~~ink.~~

18 (bb) Payments to a dealer or distributor as consideration for distribution of  
19 the news publications.

20 (ii) The definition of "cost price" provided for in this Subparagraph shall be  
21 applicable to taxes levied by all tax authorities in the state.

22 (i)(i) ~~For purposes of the imposition of the use tax levied by the state and any~~  
23 ~~political subdivision whose boundaries are coterminous with those of the state, the~~  
24 ~~cost price of machinery and equipment used by a manufacturer in a plant facility~~  
25 ~~predominately and directly in the actual manufacturing for agricultural purposes or~~  
26 ~~the actual manufacturing process of an item of tangible personal property, which is~~  
27 ~~for ultimate sale to another and not for internal use, at one or more fixed locations~~  
28 ~~within Louisiana, shall be reduced as follows:~~

1           ~~(aa) For the period ending on June 30, 2005, the cost price shall be reduced~~  
2           ~~by five percent.~~

3           ~~(bb) For the period beginning July 1, 2005, and ending on June 30, 2006, the~~  
4           ~~cost price shall be reduced by nineteen percent.~~

5           ~~(cc) For the period beginning July 1, 2006, and ending on June 30, 2007, the~~  
6           ~~cost price shall be reduced by thirty-five percent.~~

7           ~~(dd) For the period beginning July 1, 2007, and ending on June 30, 2008, the~~  
8           ~~cost price shall be reduced by fifty-four percent.~~

9           ~~(ee) For the period beginning July 1, 2008, and ending on June 30, 2009, the~~  
10          ~~cost price shall be reduced by sixty-eight percent.~~

11          ~~(ff) For all periods beginning on or after July 1, 2009, the cost price shall be~~  
12          ~~reduced by one hundred percent.~~

13          (ii) For purposes of this Subparagraph, the following definitions shall apply:

14          ~~(aa) "Machinery and equipment" means tangible personal property or other~~  
15          ~~property that is eligible for depreciation for federal income tax purposes and that is~~  
16          ~~used as an integral part in the manufacturing of tangible personal property for sale.~~  
17          ~~"Machinery and equipment" shall also mean tangible personal property or other~~  
18          ~~property that is eligible for depreciation for federal income tax purposes and that is~~  
19          ~~used as an integral part of the production, processing, and storing of food and fiber~~  
20          ~~or of timber.~~

21          ~~(f) Machinery and equipment, for purposes of this Subparagraph, also~~  
22          ~~includes but is not limited to the following:~~

23          ~~(aaa) Computers and software that are an integral part of the machinery and~~  
24          ~~equipment used directly in the manufacturing process.~~

25          ~~(bbb) Machinery and equipment necessary to control pollution at a plant~~  
26          ~~facility where pollution is produced by the manufacturing operation.~~

27          ~~(ccc) Machinery and equipment used to test or measure raw materials, the~~  
28          ~~property undergoing manufacturing or the finished product, when such test or~~  
29          ~~measurement is a necessary part of the manufacturing process.~~

1           ~~(ddd) Machinery and equipment used by an industrial manufacturing plant~~  
2           ~~to generate electric power for self consumption or cogeneration.~~

3           ~~(eee) Machinery and equipment used primarily to produce a news~~  
4           ~~publication whether it is ultimately sold at retail or for resale or at no cost. Such~~  
5           ~~machinery and equipment shall include but not be limited to all machinery and~~  
6           ~~equipment used primarily in composing, creating, and other prepress operations,~~  
7           ~~electronic transmission of pages from prepress to press, pressroom operations, and~~  
8           ~~mailroom operations and assembly activities. The term "news publication" shall~~  
9           ~~mean any publication issued daily or regularly at average intervals not exceeding~~  
10          ~~three months, which contains reports of varied character, such as political, social,~~  
11          ~~cultural, sports, moral, religious, or subjects of general public interest, and~~  
12          ~~advertising supplements and any other printed matter ultimately distributed with or~~  
13          ~~a part of such publications.~~

14          ~~(H) Machinery and equipment, for purposes of this Subparagraph, does not~~  
15          ~~include any of the following:~~

16                 ~~(aaa) A building and its structural components, unless the building or~~  
17                 ~~structural component is so closely related to the machinery and equipment that it~~  
18                 ~~houses or supports that the building or structural component can be expected to be~~  
19                 ~~replaced when the machinery and equipment are replaced.~~

20                 ~~(bbb) Heating, ventilation, and air-conditioning systems, unless their~~  
21                 ~~installation is necessary to meet the requirements of the manufacturing process, even~~  
22                 ~~though the system may provide incidental comfort to employees or serve, to an~~  
23                 ~~insubstantial degree, nonproduction activities.~~

24                 ~~(ccc) Tangible personal property used to transport raw materials or~~  
25                 ~~manufactured goods prior to the beginning of the manufacturing process or after the~~  
26                 ~~manufacturing process is complete.~~

27                 ~~(ddd) Tangible personal property used to store raw materials or~~  
28                 ~~manufactured goods prior to the beginning of the manufacturing process or after the~~  
29                 ~~manufacturing process is complete.~~

1           ~~(bb) "Manufacturer" means:~~

2                     ~~(I) A person whose principal activity is manufacturing, as defined in this~~  
3           ~~Subparagraph, and who is assigned by the Louisiana Workforce Commission a North~~  
4           ~~American Industrial Classification System code within the agricultural, forestry,~~  
5           ~~fishing, and hunting Sector 11, the manufacturing Sectors 31-33, the information~~  
6           ~~Sector 511110 as they existed in 2002, or industry code 423930 as a recyclable~~  
7           ~~material merchant wholesaler engaged in manufacturing activities, which must~~  
8           ~~include shredding facilities, as determined by the secretary of the Department of~~  
9           ~~Revenue.~~

10                    ~~(H) A person whose principal activity is manufacturing and who is not~~  
11           ~~required to register with the Louisiana Workforce Commission for purposes of~~  
12           ~~unemployment insurance, but who would be assigned a North American Industrial~~  
13           ~~Classification System code within the agricultural, forestry, fishing, and hunting~~  
14           ~~Sector 11, the manufacturing Sectors 31-33, the information Sector 511110 as they~~  
15           ~~existed in 2002, as determined by the Louisiana Department of Revenue from federal~~  
16           ~~income tax data, if he were required to register with the Louisiana Workforce~~  
17           ~~Commission for purposes of unemployment insurance.~~

18                    ~~(cc) "Manufacturing" means putting raw materials through a series of steps~~  
19           ~~that brings about a change in their composition or physical nature in order to make~~  
20           ~~a new and different item of tangible personal property that will be sold to another.~~  
21           ~~Manufacturing begins at the point at which raw materials reach the first machine or~~  
22           ~~piece of equipment involved in changing the form of the material and ends at the~~  
23           ~~point at which manufacturing has altered the material to its completed form. Placing~~  
24           ~~materials into containers, packages, or wrapping in which they are sold to the~~  
25           ~~ultimate consumer is part of this manufacturing process. Manufacturing, for~~  
26           ~~purposes of this Subparagraph, does not include any of the following:~~

27                    ~~(I) Repackaging or redistributing.~~

28                    ~~(H) The cooking or preparing of food products by a retailer in the regular~~  
29           ~~course of retail trade.~~

- 1                   ~~(III) The storage of tangible personal property.~~
- 2                   ~~(IV) The delivery of tangible personal property to or from the plant.~~
- 3                   ~~(V) The delivery of tangible personal property to or from storage within the~~  
4 ~~plant.~~
- 5                   ~~(VI) Actions such as sorting, packaging, or shrink wrapping the final material~~  
6 ~~for ease of transporting and shipping.~~
- 7                   ~~(dd) "Manufacturing for agricultural purposes" means the production,~~  
8 ~~processing, and storing of food and fiber and the production, processing, and storing~~  
9 ~~of timber.~~
- 10                  ~~(ee) "Plant facility" means a facility, at one or more locations, in which~~  
11 ~~manufacturing, referred to in Sectors 11 and 31-33 of the North American Industrial~~  
12 ~~Classification system as of 2002, of a product of tangible personal property takes~~  
13 ~~place.~~
- 14                  ~~(ff) "Used directly" means used in the actual process of manufacturing or~~  
15 ~~manufacturing for agricultural purposes.~~
- 16                  ~~(iii) No person shall be entitled to purchase, use, lease, or rent machinery or~~  
17 ~~equipment as defined herein without payment of the tax imposed by R.S. 47:302, 321,~~  
18 ~~and 331 before receiving a certificate of exclusion from the secretary of the~~  
19 ~~Department of Revenue certifying that he is a manufacturer as defined herein.~~
- 20                  ~~(iv) The secretary of the Department of Revenue is hereby authorized to adopt~~  
21 ~~rules and regulations in order to administer the exclusion provided for in this~~  
22 ~~Subparagraph.~~
- 23                  ~~(j) For the purpose of the sales and use taxes imposed by the state or any~~  
24 ~~political subdivision whose boundaries are coterminous with those of the state, the~~  
25 ~~"cost price" of electric power or energy, or natural gas for the period beginning July~~  
26 ~~1, 2007 and thereafter, purchased or used by paper or wood products manufacturing~~  
27 ~~facilities shall not include any of such cost.~~
- 28                  ~~(k)(i) For purposes of the imposition of the sales and use tax levied by the~~  
29 ~~state or any political subdivision whose boundaries are coterminous with those of the~~

1 ~~state, the tax on the cost price of tangible property consumed in the manufacturing~~  
2 ~~process, such as fuses, belts, felts, wires, conveyor belts, lubricants, and motor oils~~  
3 ~~and the tax on the cost price of repairs and maintenance of manufacturing machinery~~  
4 ~~and equipment shall be reduced as follows:~~

5 ~~(aa) For the period beginning July 1, 2010, and ending on June 30, 2011, the~~  
6 ~~state sales and use tax on the cost price shall be reduced by twenty-five percent.~~

7 ~~(bb) For the period beginning July 1, 2011, and ending June 30, 2012, the~~  
8 ~~state sales and use tax on the cost price shall be reduced by fifty percent.~~

9 ~~(cc) For the period beginning July 1, 2012, and ending June 30, 2013, the~~  
10 ~~state sales and use tax on the cost price shall be reduced by seventy-five percent.~~

11 ~~(dd) For all periods beginning on and after July 1, 2013, the state sales and~~  
12 ~~use tax on the cost price shall be reduced by one hundred percent.~~

13 ~~(ii) For purposes of this Subparagraph, "manufacturer" means a person whose~~  
14 ~~principal activity is manufacturing and who is assigned an industry group designation~~  
15 ~~by the United States Census of 3211 through 3222 or 113310 pursuant to the North~~  
16 ~~American Industry Classification System of 2007.~~

17 (4) "Dealer" includes every person who manufactures or produces tangible  
18 personal property for sale at retail, for use, or consumption, or distribution, or for  
19 storage to be used or consumed in a taxing jurisdiction. "Dealer" is further defined to  
20 mean:

21 (a) Every person who imports, or causes to be imported, tangible personal  
22 property from any other state, foreign country, or other taxing jurisdiction for sale at  
23 retail, for use, or consumption, or distribution, or for storage to be used or consumed  
24 in a taxing jurisdiction.

25 (b) Every person who sells at retail, or who offers for sale at retail, or who has  
26 in his possession for sale at retail, or for use, or consumption, or distribution, or  
27 storage to be used or consumed in the taxing jurisdiction, tangible personal property  
28 as defined herein.

1 (c) Any person who has sold at retail, or used, or consumed, or distributed,  
2 or stored for use or consumption in the taxing jurisdiction, tangible personal property  
3 and who cannot prove that the tax levied by this Chapter has been paid on the sale at  
4 retail, the use, the consumption, the distribution, or the storage of said tangible  
5 personal property.

6 (d)(i) Any person who leases or rents tangible personal property for a  
7 consideration, permitting the use or possession of the said property without  
8 transferring title thereto.

9 (ii) However, a person who leases or rents tangible personal property to  
10 customers who provide information to such person that they will use the property only  
11 offshore beyond the territorial limits of the state shall not be included in the term  
12 "dealer" for purposes of the collection of the rental or lease tax of the state, statewide  
13 political subdivisions, and other political subdivisions on such lease or rental  
14 contracts. For purposes of this Item, "use" means the operational or functional use  
15 of the property and not other uses related to its possession such as transportation,  
16 maintenance, and repair. It is the intention of this Item that the customers of such  
17 persons shall remit any tax due on the lease or rental of such property directly to the  
18 state and local taxing bodies to whom they are due.

19 (e) Any person who is the lessee or rentee of tangible personal property and  
20 who pays to the owner of such property a consideration for the use or possession of  
21 such property without acquiring title thereto.

22 (f) Any person, who sells or furnishes any of the services subject to tax under  
23 this Chapter.

24 (g) Any person, as used in this act, who purchases or receives any of the  
25 services subject to tax under this Chapter.

26 (h) Any person engaging in business in the taxing jurisdiction. "Engaging in  
27 business in the taxing jurisdiction" means and includes any of the following methods  
28 of transacting business: maintaining directly, indirectly, or through a subsidiary, an  
29 office, distribution house, sales house, warehouse, or other place of business or by

1       having an agent, salesman, or solicitor operating within the taxing jurisdiction under  
2       the authority of the seller or its subsidiary irrespective of whether such place of  
3       business, agent, salesman, or solicitor is located in such taxing jurisdiction  
4       permanently or temporarily or whether such seller or subsidiary is qualified to do  
5       business in such taxing jurisdiction, or any person who makes deliveries of tangible  
6       personal property into the taxing jurisdiction other than by a common or contract  
7       carrier.

8               (i) Any person who sells at retail any tangible personal property to a vending  
9       machine operator for resale through coin-operated vending machines.

10              (j) Any person who makes deliveries of tangible personal property into the  
11       taxing jurisdiction in a vehicle owned or operated by said person.

12              (k) ~~The~~ Solely for purposes of sales and use taxes imposed by a political  
13       subdivision, the term "dealer" shall not include lessors of railroad rolling stock used  
14       either for freight or passenger purposes. However, the term "dealer" shall include  
15       lessees, other than a railway company or railroad corporation, of such property and  
16       such lessees shall be responsible for the collection and payment of all state and local  
17       sales and use taxes.

18              (l) Every person who engages in regular or systematic solicitation of a  
19       consumer market in the taxing jurisdiction by the distribution of catalogs, periodicals,  
20       advertising fliers, or other advertising, or by means of print, radio or television media,  
21       by mail, telegraphy, telephone, computer data base, cable, optic, microwave, or other  
22       communication system.

23              (5) "Gross sales" means the sum total of all retail sales of tangible personal  
24       property, without any deduction whatsoever of any kind or character except as  
25       provided in this Chapter.

26              (6)(a) "Hotel" means and includes any establishment engaged in the business  
27       of furnishing sleeping rooms, cottages, or cabins to transient guests, where such  
28       establishment consists of six or more sleeping rooms, cottages, or cabins at a single  
29       business location.

1 (b) For purposes of the sales and use taxes of ~~all tax authorities in this state~~  
2 a political subdivision, the term "hotel" as defined herein shall not include camp and  
3 retreat facilities owned and operated by nonprofit organizations exempt from federal  
4 income tax under Section 501(a) of the Internal Revenue Code as an organization  
5 described in Section 501(c)(3) of the Internal Revenue Code provided that the net  
6 revenue derived from the organizations's property is devoted wholly to the nonprofit  
7 organization's purposes. However, for purposes of this Paragraph, the term "hotel"  
8 shall include camp and retreat facilities which shall sell rooms or other  
9 accommodations to transient guests who are not attending a function of such nonprofit  
10 organization that owns and operates the camp and retreat facilities or a function of  
11 another nonprofit organization exempt from federal income tax under Section 501(a)  
12 of the Internal Revenue Code as an organization described in Section 501(c)(3) of the  
13 Internal Revenue Code. It is the intention of the legislature to tax the furnishing of  
14 rooms to those who merely purchase lodging at such facilities.

15 (c) ~~For~~ Solely for purposes of the sales and use taxes of ~~all tax authorities in~~  
16 ~~this state~~ imposed by a political subdivision, the term "hotel", as defined herein, shall  
17 not include a temporary lodging facility which is operated by a nonprofit organization  
18 described in Section 501(c)(3) of the Internal Revenue Code, provided that the facility  
19 is devoted exclusively to the temporary housing, for periods no longer than thirty  
20 days' duration, of homeless transient persons whom the organization determines to be  
21 financially incapable of engaging lodging at a facility defined by Subparagraph (a)  
22 of this Paragraph, and further provided that the lodging charge to such persons is no  
23 greater than twenty dollars per day.

24 (7)(a) "Lease or rental" means the leasing or renting of tangible personal  
25 property and the possession or use thereof by the lessee or renter, for a consideration,  
26 without transfer of the title of such property. For the purpose of the leasing or renting  
27 of automobiles, "lease" means the leasing of automobiles and the possession or use  
28 thereof by the lessee, for a consideration, without the transfer of the title of such  
29 property for a one hundred eighty-day period or more. "Rental" means the renting of

1 automobiles and the possession or use thereof by the renter, for a consideration,  
2 without the transfer of the title of such property for a period less than one hundred  
3 eighty days.

4 (b) ~~The~~ Solely for purposes of sales and use taxes imposed by a political  
5 subdivision the term "lease or rental", however, as herein defined, shall not mean or  
6 include the lease or rental made for the purposes of re-lease or re-rental of casing  
7 tools and pipe, drill pipe, tubing, compressors, tanks, pumps, power units, other  
8 drilling or related equipment used in connection with the operating, drilling,  
9 completion, or reworking of oil, gas, sulphur, or other mineral wells.

10 (c) ~~The~~ Solely for purposes of sales and use taxes imposed by a political  
11 subdivision the term "lease or rental", as herein defined shall not mean or include a  
12 lease or rental of property to be used in performance of a contract with the United  
13 States Department of the Navy for construction or overhaul of U.S. Naval vessels.

14 (d) ~~The~~ Solely for purposes of sales and use taxes imposed by a political  
15 subdivision the term "lease or rental", as herein defined, shall not mean the lease or  
16 rental of airplanes or airplane equipment by a commuter airline domiciled in  
17 Louisiana.

18 (e) For purposes of ~~state and~~ political subdivision sales and use tax the term  
19 "lease or rental", as herein defined, shall not mean the lease or rental of items,  
20 including but not limited to supplies and equipment, which are reasonably necessary  
21 for the operation of free hospitals.

22 (f) ~~For purposes of state and political subdivision sales and use tax,~~ Solely for  
23 purposes of sales and use tax imposed by a political subdivision, the term "lease or  
24 rental" shall not mean the lease or rental of educational materials or equipment used  
25 for classroom instruction by approved parochial and private elementary and secondary  
26 schools which comply with the court order from the Dodd Brumfield decision and  
27 Section 501(c)(3) of the Internal Revenue Code, limited to books, workbooks,  
28 computers, computer software, films, videos, and audio tapes.

1           (g) ~~For purposes of state and political subdivision sales and use tax,~~ Solely  
2           for purposes of sales and use tax imposed by a political subdivision, the term "lease  
3           or rental" shall not mean the lease or rental of tangible personal property to Boys State  
4           of Louisiana, Inc. and Girls State of Louisiana, Inc. which is used by such  
5           organizations for their educational and public service programs for youth.

6           (h) ~~For purposes of state and political subdivision sales and use tax,~~ Solely  
7           for purposes of sales and use taxes imposed by a political subdivision, the term "lease  
8           or rental" shall not mean or include the lease or rental of motor vehicles by licensed  
9           motor vehicle dealers, as defined in R.S. 32:1252(14), or vehicle manufacturers, as  
10          defined in R.S. 32:1252(11), for their use in furnishing such leased or rented motor  
11          vehicles to their customers in performance of their obligations under warranty  
12          agreements associated with the purchase of a motor vehicle or when the applicable  
13          warranty has lapsed and the leased or rented motor vehicle is provided to the customer  
14          at no charge.

15          (i) ~~For~~ Solely for purposes of sales and use taxes ~~levied and imposed by local~~  
16          ~~governmental subdivisions, school boards, and other political subdivisions whose~~  
17          ~~boundaries are not coterminous with those of the state~~ a political subdivision, "lease  
18          or rental" by a person shall not mean or include the lease or rental of tangible personal  
19          property if such lease or rental is made under the provisions of Medicare.

20          (j) ~~Solely for purposes of the sales and use tax levied by the state or any~~  
21          ~~political subdivision whose boundaries are coterminous with those of the state~~ Solely  
22          for purposes of sales and use taxes imposed by a political subdivision, the term "lease  
23          or rental" shall not include the lease or rental in this state of manufacturing machinery  
24          and equipment used or consumed in this state to manufacture, produce, or extract  
25          unblended biodiesel.

26          (k)(i) ~~For~~ Solely for purposes of any sales, use, or lease tax ~~levied by the state~~  
27          ~~or imposed by any political subdivision of the state,~~ the term "lease or rental" shall  
28          not include the lease or rental of a crane and related equipment with an operator.

1 (ii) Notwithstanding the provisions of Item (i) of this Subparagraph, cranes  
2 leased or rented with an operator are subject to the provisions of the sales and use tax  
3 law upon first use in Louisiana.

4 (1)(i) For purposes of the sales and use tax levied by ~~all tax authorities in this~~  
5 ~~state~~ a political subdivision, the term "lease or rental" shall not apply to leases or  
6 rentals of pallets which are used in packaging products produced by a manufacturer.

7 (ii) For purposes of this Subparagraph, the term "manufacturer" shall mean  
8 a person whose primary activity is manufacturing and who is assigned by the  
9 Louisiana Workforce Commission a North American Industrial Classification System  
10 code within the manufacturing sectors 31-33 as they existed in 2002.

11 (8)(a) "Person", except as provided in Subparagraph (c), includes any  
12 individual, firm, copartnership, joint adventure, association, corporation, estate, trust,  
13 business trust, receiver, syndicate, this state, any parish, city and parish, municipality,  
14 district or other political subdivision thereof or any board, agency, instrumentality,  
15 or other group or combination acting as a unit, and the plural as well as the singular  
16 number.

17 (b) ~~Solely for purposes of the payment of state sales or use tax on the lease~~  
18 ~~or rental or the purchase of tangible personal property or services, "person" shall not~~  
19 ~~include a regionally accredited independent institution of higher education which is~~  
20 ~~a member of the Louisiana Association of Independent Colleges and Universities, if~~  
21 ~~such lease or rental or purchase is directly related to the educational mission of such~~  
22 ~~institution. However, the term "person" shall include such institution for purposes of~~  
23 ~~the payment of tax on sales by such institution if the sales are not otherwise exempt.~~

24 (c)(i) ~~For purposes of the payment of the state sales and use tax and the sales~~  
25 ~~and use tax levied by any political subdivision, The term~~ "person" shall not include  
26 this state, any parish, city and parish, municipality, district, or other political  
27 subdivision thereof, or any agency, board, commission, or instrumentality of this state  
28 or its political subdivisions.

1 (ii) Upon request by any political subdivision for an exemption identification  
2 number, the Department of Revenue shall issue such number. The secretary may  
3 promulgate rules and regulations in accordance with the Administrative Procedure  
4 Act to carry out the provisions of this Item.

5 ~~(d)~~(c)(i) For purposes of the payment of ~~the state sales and use tax and the~~  
6 sales and use tax levied by any political subdivision, the term "person" shall not  
7 include a church or synagogue that is recognized by the United States Internal  
8 Revenue Service as entitled to exemption under Section 501(c)(3) of the United States  
9 Internal Revenue Code.

10 (ii) ~~The secretary of the Department of Revenue shall promulgate rules and~~  
11 ~~regulations defining the terms "church" and "synagogue" for purposes of this~~  
12 ~~exclusion. The definitions shall be consistent with the criteria established by the U.S.~~  
13 ~~Internal Revenue Service in identifying organizations that qualify for church status~~  
14 ~~for federal income tax purposes.~~

15 ~~(iii)~~ No church or synagogue shall claim exemption or exclusion from the  
16 ~~state sales and use tax or the~~ sales and use tax levied by any political subdivision  
17 before having obtained a certificate of authorization from the secretary of the  
18 Department of Revenue. ~~The secretary shall develop applications for such~~  
19 ~~certificates.~~ The certificates shall be issued without charge to the institutions that  
20 qualify.

21 ~~(iv)~~(iii) The exclusion from the sales and use tax authorized by this  
22 Subparagraph shall apply only to purchases of bibles, song books, or literature used  
23 for religious instruction classes.

24 ~~(e)~~(i) For purposes of the payment of ~~the state sales and use tax and the sales~~  
25 ~~and use tax levied by any political subdivision, the term "person" shall not include the~~  
26 ~~Society of the Little Sisters of the Poor.~~

27 ~~(ii)~~ ~~The secretary of the Department of Revenue shall promulgate rules and~~  
28 ~~regulations for purposes of this exclusion. The definitions shall be consistent with the~~

1 criteria established by the U.S. Internal Revenue Service in identifying tax-exempt  
2 status for federal income tax purposes.

3 ~~(iii) No member of the Society of the Little Sisters of the Poor shall claim~~  
4 ~~exemption or exclusion from the state sales and use tax or the sales and use tax levied~~  
5 ~~by any political subdivision before having obtained a certificate of authorization from~~  
6 ~~the secretary of the Department of Revenue. The secretary shall develop applications~~  
7 ~~for such certificates. The certificates shall be issued without charge to the entities~~  
8 ~~which qualify.~~

9 ~~(f)(i) For purposes of the payment of sales and use tax levied by this state and~~  
10 ~~any political subdivision whose boundaries are coterminous with those of the state,~~  
11 ~~the term "person" shall not include a nonprofit entity which sells donated goods and~~  
12 ~~spends seventy-five percent or more of its revenues on directly employing or training~~  
13 ~~for employment persons with disabilities or workplace disadvantages.~~

14 ~~(ii) The secretary shall promulgate rules and regulations for the use of~~  
15 ~~exclusion certificates for purposes of implementation of this Subparagraph. Each~~  
16 ~~nonprofit entity electing to utilize the exclusion provided for in this Subparagraph~~  
17 ~~shall apply for an exclusion certificate annually. Any exclusion certificate granted by~~  
18 ~~the Department of Revenue shall be effective for a one-year period.~~

19 ~~(iii) The secretary shall provide forms for nonprofit entities to request an~~  
20 ~~exclusion certificate.~~

21 (9) "Purchaser" means and includes any person who acquires or receives any  
22 tangible personal property, or the privilege of using any tangible personal property,  
23 or receives any services pursuant to a transaction subject to tax under this Chapter.

24 (10)(a)(i) Solely for the purposes of the imposition of the state sales and use  
25 tax, "retail sale" or "sale at retail" means a sale to a consumer or to any other person  
26 for any purpose other than for resale as tangible personal property, or for the lease of  
27 automobiles in an arm's length transaction, and shall mean and include all such  
28 transactions as the secretary, upon investigation, finds to be in lieu of sales; provided  
29 that sales for resale or for lease of automobiles in an arm's length transaction must be

1 made in strict compliance with the rules and regulations. Any dealer making a sale for  
2 resale or for the lease of automobiles, which is not in strict compliance with the rules  
3 and regulations, shall himself be liable for and pay the tax.

4 (ii) Solely for purposes of ~~the imposition of the sales and use tax levied~~  
5 imposed by a political subdivision ~~or school board~~, "retail sale" or "sale at retail" shall  
6 mean a sale to a consumer or to any other person for any purpose other than for resale  
7 in the form of tangible personal property, or resale of those services defined in  
8 Paragraph (14) of this Section provided the retail sale of the service is subject to sales  
9 tax in this state, and shall mean and include all such transactions as the collector, upon  
10 investigation, finds to be in lieu of sales; provided that sales for resale be made in  
11 strict compliance with the rules and regulations. Any dealer making a sale for resale,  
12 which is not in strict compliance with the rules and regulations shall himself be liable  
13 for and pay the tax. A local collector shall accept a resale certificate issued by the  
14 Department of Revenue, provided the taxpayer includes the parish of its principal  
15 place of business and local sales tax account number on the state certificate.  
16 However, in the case of an intra-parish transaction from dealer to dealer, the collector  
17 may require that the local exemption certificate be used in lieu of the state certificate.  
18 The department shall accommodate the inclusion of such information on its resale  
19 certificate for such purposes.

20 (iii) "Retail sale" or "sale at retail" for purposes of sales and use taxes  
21 imposed by the state on transactions involving the sale for rental of automobiles  
22 which take place on or after January 1, 1991, and by political subdivisions on such  
23 transactions on or after July 1, 1996, and state sales and use taxes imposed on  
24 transactions involving the lease or rental of tangible personal property other than  
25 automobiles which take place on or after July 1, 1991, means a sale to a consumer or  
26 to any other person for any purpose other than for resale as tangible personal property,  
27 or for lease or rental in an arm's length transaction in the form of tangible personal  
28 property, and shall mean and include all such transactions as the secretary, upon  
29 investigation, finds to be in lieu of sales; provided that sales for resale or for lease or

1 rental in an arm's length transaction must be made in strict compliance with the rules  
2 and regulations. Any dealer making a sale for resale or for lease or rental, which is  
3 not in strict compliance with the rules and regulations, shall himself be liable for and  
4 pay the tax. For purposes of the imposition of the tax imposed by any political  
5 subdivision of the state, for the period beginning on July 1, 1999, and ending on June  
6 30, 2000, the term "retail sale" or "sale at retail" shall not include one-fourth of the  
7 sales price of any tangible personal property which is sold in order to be leased or  
8 rented in an arm's length transaction in the form of tangible personal property. For  
9 purposes of the imposition of the tax imposed by any political subdivision of the state,  
10 for the period beginning on July 1, 2000, and ending on June 30, 2001, the term "retail  
11 sale" or "sale at retail" shall not include one-half of the sales price of any tangible  
12 personal property which is sold in order to be leased or rented in an arm's length  
13 transaction in the form of tangible personal property. For purposes of the imposition  
14 of the tax imposed by any political subdivision of the state, for the period beginning  
15 on July 1, 2001, and ending on June 30, 2002, the term "retail sale" or "sale at retail"  
16 shall not include three-fourths of the sales price of any tangible personal property  
17 which is sold in order to be leased or rented in an arm's length transaction in the form  
18 of tangible personal property. Beginning July 1, 2002, for the purposes of imposition  
19 of the tax levied by any For purposes of sales and use taxes imposed by a political  
20 ~~subdivision of the state~~, the term "retail sale" or "sale at retail" shall not include the  
21 sale of any tangible personal property which is sold in order to be leased or rented in  
22 an arm's length transaction in the form of tangible personal property.

23 (iv) "Retail sale" or "sale at retail", for purposes of sales and use taxes  
24 imposed by the state on transactions involving the sale for rental of automobiles  
25 which take place prior to January 1, 1991, and by political subdivisions on such  
26 transactions prior to July 1, 1996, and imposed on transactions involving the lease or  
27 rental of tangible personal property other than autos which take place prior to July 1,  
28 1991, and for purposes of local sales and use taxes levied by political subdivisions  
29 except for transactions involving the sale for rental of automobiles on or after July 1,

1 1996, means a sale to a consumer or to any other person for any purpose other than  
2 for resale in the form of tangible personal property, and shall mean and include all  
3 such transactions as the secretary, upon investigation, finds to be in lieu of sales;  
4 provided that sales for resale must be made in strict compliance with the rules and  
5 regulations. Any dealer making a sale for resale, which is not in strict compliance  
6 with the rules and regulations, shall himself be liable for and pay the tax. However,  
7 contrary provisions of law notwithstanding, any political subdivision may, by  
8 ordinance, adopt the definition of "retail sale" or "sale at retail" provided in Item (iii)  
9 of this Subparagraph for purposes of the imposition of its sales and use tax.

10 ~~(vi) Solely for purposes of the payment of state sales and use tax, until~~  
11 ~~January 1, 2007, the term "sale at retail" shall not include purchases made in~~  
12 ~~connection with the filming or production of a motion picture by a motion picture~~  
13 ~~production company which has been relieved from the payment of state sales and use~~  
14 ~~tax under the provisions of Chapter 12 of Subtitle II of this Title, also known as the~~  
15 ~~"Louisiana Motion Picture Incentive Act". This exclusion shall be retroactively~~  
16 ~~revoked if it is determined that a motion picture production company that has been~~  
17 ~~relieved from payment of state sales and use tax under Chapter 12 failed to meet the~~  
18 ~~conditions of such relief.~~

19 (b)(i) Solely for purposes of the sales and use tax levied by the state, the sale  
20 of tangible personal property to a dealer who purchases said property for resale  
21 through coin-operated vending machines shall be considered a "sale at retail", subject  
22 to such tax. The subsequent resale of the property by the dealer through  
23 coin-operated vending machines shall not be considered a "sale at retail".

24 (ii) Solely for purposes of the sales and use tax ~~levied~~ imposed by a political  
25 ~~subdivisions~~ subdivision, the term "sale at retail" shall include the sale of tangible  
26 personal property by a dealer through coin-operated vending machines.

27 ~~(c)(i)(aa)The~~ (i) Solely for purposes of sales and use taxes imposed by a  
28 political subdivision of the state, the term "sale at retail" does not include sale of

1 materials for further processing into articles of tangible personal property for sale at  
2 retail.

3 ~~(bb)~~ Solely for purposes of the sales and use tax levied by the state, natural  
4 gas when used in the production of iron in the process known as the "direct reduced  
5 iron process" is not a catalyst and is recognized by the legislature to be a material for  
6 further processing into an article of tangible personal property for sale at retail.

7 (ii)(aa) Solely for purposes of the sales and use tax levied by the state, the  
8 term "sale at retail" does not include sales of electricity for chlor-alkali manufacturing  
9 processes.

10 ~~(bb)~~ (ii) The term "sale at retail" does not include an isolated or occasional  
11 sale of tangible personal property by a person not engaged in such business.

12 (d) ~~The~~ Solely for purposes of sales and use taxes imposed by a political  
13 subdivision of the state, the term "sale at retail" does not include the sale of any  
14 human tissue transplants, which shall be defined to include all human organs, bone,  
15 skin, cornea, blood, or blood products transplanted from one individual into another  
16 recipient individual.

17 (e) ~~The~~ Solely for purposes of sales and use taxes imposed by a political  
18 subdivision of the state, the term "sale at retail" does not include the sale of raw  
19 agricultural commodities, including but not limited to feed, seed, and fertilizer, to be  
20 utilized in preparing, finishing, manufacturing, or producing crops or animals for  
21 market. The Department of Agriculture and Forestry shall develop and promulgate  
22 guidelines to determine who meets this definition. Any person meeting such  
23 guidelines shall receive a certificate from the Department of Agriculture and Forestry  
24 indicating that such person is eligible to purchase such items without paying tax  
25 thereon. The guidelines promulgated pursuant to this Paragraph shall not become  
26 effective prior to January 1, 1995.

27 (f) Notwithstanding any other law to the contrary, solely for purposes of the  
28 imposition of the sales and use tax of ~~any~~ a political subdivision, the sale of a vehicle

1 subject to the Vehicle Registration License Tax Law (R.S. 47:451 et seq.) shall be  
2 deemed to be a "retail sale" or a "sale at retail":

3 (i) In the political subdivision of the principal residence of the purchaser if  
4 the vehicle is purchased for private use, or

5 (ii) In the political subdivision of the principal location of the business if the  
6 vehicle is purchased for commercial use, unless the vehicle purchased for commercial  
7 use is assigned, garaged, and used outside of such political subdivision, in which case  
8 the sale shall be deemed a "retail sale" or a "sale at retail" in the political subdivision  
9 where the vehicle is assigned, garaged, and used.

10 (g) The Solely for purposes of sales and use taxes imposed by a political  
11 subdivision of the state, the term "retail sale" does not include a sale of corporeal  
12 movable property which is intended for future sale to the United States government  
13 or its agencies, when title to such property is transferred to the United States  
14 government or its agencies prior to the incorporation of that property into a final  
15 product.

16 (h) The Solely for purposes of sales and use taxes imposed by a political  
17 subdivision of the state, the term "sale at retail" does not include the sale of food  
18 items by youth serving organizations chartered by congress.

19 (i) The Solely for purposes of sales and use tax imposed by a political  
20 subdivision, the term "sale at retail" does not include the purchase of a new school bus  
21 or a used school bus which is less than five years old by an independent operator,  
22 when such bus is to be used exclusively in a public school system. ~~This exclusion~~  
23 ~~shall apply to all sales and use taxes levied by any local political subdivision.~~

24 (j) The Solely for purposes of sales and use taxes imposed by a political  
25 subdivision of the state, the term "sale at retail" does not include the sale of tangible  
26 personal property to food banks, as defined in R.S. 9:2799.

27 (k) The Solely for purposes of sales and use tax imposed by a political  
28 subdivision, the term "sale at retail" shall not include the sale of airplanes or airplane  
29 equipment or parts to a commuter airline domiciled in Louisiana.

1           ~~(l) Solely for purposes of the state sales and use tax, the term "sale at retail"~~  
2           ~~shall not include the sale of a pollution control device or system. Pollution control~~  
3           ~~device or system.~~ The term "pollution control device or system" shall mean any  
4           tangible personal property approved by the ~~Department of Revenue and the~~  
5           Department of Environmental Quality and sold or leased and used or intended for the  
6           purpose of eliminating, preventing, treating, or reducing the volume or toxicity or  
7           potential hazards of industrial pollution of air, water, groundwater, noise, solid waste,  
8           or hazardous waste in the state of Louisiana. For the purposes of any sales and use  
9           tax levied by a political subdivision, the term "sale at retail" shall include the sale of  
10          a pollution control device or system. In order to qualify, the pollution control device  
11          or system must demonstrate either: a net decrease in the volume or toxicity or  
12          potential hazards of pollution as a result of the installation of the device or system;  
13          or that installation is necessary to comply with federal or state environmental laws or  
14          regulations.

15           (m) ~~The~~ Solely for purposes of sales and use taxes imposed by a political  
16          subdivision, the term "sale at retail" shall not include the sales of Louisiana  
17          manufactured or assembled passenger aircraft with a capacity in excess of fifty  
18          persons, if, after all transportation, including transportation by the purchaser, has been  
19          completed, the aircraft is ultimately received by the purchaser outside of Louisiana.

20           (n) For purposes of sales and use taxes imposed or levied by the state or any  
21          political subdivision thereof, the term "sale at retail" shall not include the sales of  
22          pelletized paper waste when purchased for use as combustible fuel by an electric  
23          utility or in an industrial manufacturing, processing, compounding, reuse, or  
24          production process, including the generation of electricity or process steam, at a fixed  
25          location in this state. However, such sale shall not be excluded unless the purchaser  
26          has signed a certificate stating that the fuel purchased is for the exclusive use  
27          designated herein. For purposes of this Subparagraph, "pelletized paper waste" means  
28          pellets produced from discarded waste paper that has been diverted or removed from  
29          solid waste which is not marketable for recycling and which is wetted, extruded,

1 shredded, or formulated into compact pellets of various sizes for use as a  
2 supplemental fuel in a permitted boiler.

3 ~~(o) For the purposes of sales and use taxes imposed or levied by the state or~~  
4 ~~any local governmental subdivision or school board, the~~ The term "sale at retail" shall  
5 not include the sale or purchase of equipment used in fire fighting by bona fide  
6 volunteer and public fire departments.

7 (p) For purposes of ~~state and~~ political subdivision sales and use tax, the term  
8 "sale at retail" shall not include the sale of items, including but not limited to supplies  
9 and equipment, or the sale of services as provided in this Section, which are  
10 reasonably necessary for the operation of free hospitals.

11 ~~(q) For purposes of state and political subdivision sales and use tax~~ Solely for  
12 purposes of sales and use taxes imposed by a political subdivision, the term "sale at  
13 retail" shall not include:

14 (i) The sale of tangible personal property by approved parochial and private  
15 elementary and secondary schools which comply with the court order from the Dodd  
16 Brumfield decision and Section 501(c)(3) of the Internal Revenue Code, or students,  
17 administrators, or teachers, or other employees of the school, if the money from such  
18 sales, less reasonable and necessary expenses associated with the sale, is used solely  
19 and exclusively to support the school or its program or curricula. This exclusion shall  
20 not be construed to allow tax-free sales to students or their families by promoters or  
21 regular commercial dealers through the use of schools, school faculty, or school  
22 facilities.

23 (ii) The sale to approved parochial and private elementary and secondary  
24 schools which comply with the court order from the Dodd Brumfield decision and  
25 Section 501(c)(3) of the Internal Revenue Code of educational materials or equipment  
26 used for classroom instruction limited to books, workbooks, computers, computer  
27 software, films, videos, and audio tapes.

28 ~~(r) For purposes of state and political subdivision sales and use tax~~ Solely for  
29 purposes of sales and use taxes imposed by a political subdivision, the term "sale at

1 retail" shall not include the sale of tangible personal property to Boys State of  
2 Louisiana, Inc. and Girls State of Louisiana, Inc. which is used by such organizations  
3 for their educational and public service programs for youth.

4 (s) The term "sale at retail" or "retail sale", for purposes of sales and use taxes  
5 imposed by ~~the state or~~ any political subdivision or other taxing entity, shall not  
6 include any charge, fee, money, or other consideration received, given, or paid for the  
7 performance of funeral directing services. For purposes of this Subparagraph,  
8 "funeral directing services" means the operation of a funeral home, or by way of  
9 illustration and not limitation, any service whatsoever connected with the  
10 management of funerals, or the supervision of hearses or funeral cars, the cleaning or  
11 dressing of dead human bodies for burial, and the performance or supervision of any  
12 service or act connected with the management of funerals from time of death until the  
13 body or bodies are delivered to the cemetery, crematorium, or other agent for the  
14 purpose of disposition. However, such services shall not mean or include the sale,  
15 lease, rental, or use of any tangible personal property as those terms are defined in this  
16 Section.

17 (t) ~~For~~ Solely for purposes of sales and use taxes ~~levied imposed by the state~~  
18 ~~or any a political subdivision of the state~~, the term "sale at retail" shall not include the  
19 transfer of title to or possession of telephone directories by an advertising company  
20 that is not affiliated with a provider of telephone services if the telephone directories  
21 will be distributed free of charge to the recipients of the telephone directories.

22 (u) For purposes of sales and use taxes levied and imposed by local  
23 governmental subdivisions, school boards, and other political subdivisions whose  
24 boundaries are not coterminous with those of the state, "sale at retail" by a person  
25 shall not mean or include the sale of tangible personal property if such sale is made  
26 under the provisions of Medicare.

27 (v) ~~For purposes of the imposition~~ Solely for purposes of sales and use taxes  
28 ~~imposed or levied by all taxing authorities in the state by a political subdivision~~, in  
29 the case of the sale or other disposition by a dealer of any cellular, PCS, or wireless

1 telephone, or any electronic accessories that are physically connected with such  
2 telephones and personal communication devices used in connection with the sale or  
3 use of mobile telecommunications services, the term "retail sale" or "sale at retail"  
4 shall mean and include the sale or any other disposition of such cellular, PCS, or  
5 wireless telephone, any electronic accessories that are physically connected with such  
6 telephones and personal communication devices by the dealer to the purchaser, but  
7 shall not mean or include the withdrawal, use, distribution, consumption, storage,  
8 donation, or any other disposition of any such cellular, PCS, or wireless telephone,  
9 any electronic accessories that are physically connected with such telephones, and  
10 personal communication devices by the dealer.

11 (w) For purposes of the imposition of sales and use taxes imposed or levied  
12 by any political subdivision of the state, in the case of the sale or other disposition by  
13 a dealer of any cellular telephone, PCS telephone, wireless telephone, or other  
14 wireless personal communication device that is used in connection with the sale or  
15 use of mobile telecommunications services, or any electronic accessory that is  
16 physically connected with any such telephone or personal communication device, the  
17 term "retail sale" or "sale at retail" shall mean and include the sale or any other  
18 disposition of any such telephone, other personal communication device, or electronic  
19 accessory.

20 (x) For purposes of the sales and use tax imposed by the state or any political  
21 subdivision whose boundaries are coterminous with those of the state, the terms  
22 "retail sale" or "sale at retail" shall not include the following:

23 (i) The sale or purchase by a person of any fuel or gas, including but not  
24 limited to butane and propane.

25 (ii) Beginning July 1, 2008, the sale or purchase by any person of butane and  
26 propane.

27 (y)(i) Solely for the purposes of sales and use taxes ~~levied by the state or any~~  
28 imposed by a political subdivision whose boundaries are coterminous with those of  
29 the state, the term "sale at retail" shall not include the sale of manufacturing

1 machinery and equipment used or consumed in this state to manufacture, produce, or  
2 extract unblended biodiesel.

3 (ii) As used in this Subparagraph, the following words and phrases have the  
4 meaning ascribed to them:

5 (aa) "Manufacturing machinery and equipment" means tangible property used  
6 or consumed, or held for use or consumption, as an integral part of a biodiesel  
7 manufacturing, production, or extraction facility, process, or item of equipment.  
8 Property shall be considered to be an integral part of such biodiesel manufacturing,  
9 production, or extraction facility, process, or item of equipment only if such property  
10 is used or consumed directly in the manufacturing, production, or extraction process  
11 or is part of, physically attached to, or otherwise directly associated with such  
12 property. Property, the installation of which is reasonably necessary for the proper  
13 installation, operation, maintenance of property which directly results in such  
14 manufacturing, production, or extraction shall be considered as directly associated  
15 with such property.

16 (bb) "Unblended biodiesel" means a fuel comprised of mono-alkyl esters of  
17 long chain fatty acids derived from vegetable oils or animal fats, designated B100,  
18 and meeting the requirements of the definition provided for in D 6751 of the  
19 American Society of Testing and Materials (ATDM D 6751), before such fuel is  
20 blended with a petroleum-based diesel fuel.

21 (z) ~~Solely for the purposes of sales and use taxes levied by the state or any~~  
22 ~~political subdivision whose boundaries are coterminous with those of the state, the~~  
23 ~~term "sale at retail" shall not include the sale of any alternative substance when such~~  
24 ~~alternative substance is used as a fuel by a manufacturer. "Alternative substance"~~  
25 ~~means any substance other than oil and natural gas and any product of oil and natural~~  
26 ~~gas. "Alternative substance" shall include petroleum coke, landfill gas, reclaimed or~~  
27 ~~waste oil, unblended biodiesel, or tire-derived fuel, but not coal, lignite, refinery gas,~~  
28 ~~nuclear fuel, or electricity. "Manufacturer" means a person whose principal activity~~  
29 ~~is manufacturing and who is assigned by the Louisiana Workforce Commission a~~

1 ~~North American Industrial Classification System code with the agricultural, forestry,~~  
2 ~~fishing, and hunting Sector 11 or the manufacturing Sectors 31-33 as they existed in~~  
3 ~~2002.~~

4 ~~(aa)~~ (i) For purposes of sales and use taxes imposed or levied by the ~~state or~~  
5 any political subdivision of the state, the term "sale at retail" shall not include the sale  
6 of toys to a non-profit organization exempt from federal taxation pursuant to Section  
7 501(c)(3) of the Internal Revenue Code if the sole purpose of the purchasing  
8 organization is to donate toys to minors and the toys are, in fact, donated.

9 (ii) The exclusion provided in this Subparagraph shall not apply if the  
10 donation is intended to ultimately yield a profit to a promoter of the organization or  
11 to any individual contracted to provide services or equipment, or both, to the  
12 organization.

13 (iii) A certificate of exclusion shall be obtained from ~~the secretary or the tax~~  
14 collector of the political subdivision, under such regulations as he shall prescribe, in  
15 order for nonprofit organizations to qualify for the exclusion provided for in this  
16 Subparagraph.

17 ~~(bb) For purposes of sales and use taxes imposed or levied by the state, the~~  
18 ~~terms "retail sale" and "sale at retail" shall not include sales of natural gas to be held,~~  
19 ~~used, or consumed in providing natural gas storage services or operating natural gas~~  
20 ~~storage facilities.~~

21 ~~(cc) For~~ (aa) Solely for purposes of the sales and use tax imposed by ~~the~~  
22 ~~state or any~~ a political subdivision ~~of the state~~, the terms "retail sale" or "sale at retail"  
23 shall not mean or include the purchase of textbooks and course-related software by  
24 a private postsecondary academic degree-granting institution, accredited by a national  
25 or regional commission that is recognized by the United States Department of  
26 Education and is licensed by the Board of Regents, which institution has its main  
27 location within this state and offers only online instruction, when all of the following  
28 apply:

1 (i) The textbooks and course-related software are physically outside of this  
2 state when purchased from a vendor outside of this state and then imported into this  
3 state.

4 (ii) The first student use of the textbooks and course-related software occurs  
5 outside of this state.

6 (iii) The textbooks and course-related software are provided to the student  
7 free of charge.

8 ~~(dd) For purposes of sales and use taxes imposed or levied by the state, the~~  
9 ~~terms "retail sale" or "sale at retail" shall not include the purchase of food items for~~  
10 ~~school lunch or breakfast programs by nonpublic elementary or secondary schools~~  
11 ~~which participate in the National School Lunch and School Breakfast programs or the~~  
12 ~~purchase of food items by nonprofit corporations which serve students in nonpublic~~  
13 ~~elementary or secondary schools and which participate in the National School Lunch~~  
14 ~~and School Breakfast programs.~~

15 ~~(ee)(i) Solely for the purposes of the imposition of the state sales and use tax,~~  
16 ~~the term "retail sale" and "sale at retail" shall not include the sale of any storm shutter~~  
17 ~~device.~~

18 ~~(ii) As used in this Subparagraph, "storm shutter device" means materials and~~  
19 ~~products manufactured, rated, and marketed specifically for the purpose of preventing~~  
20 ~~window damage from storms.~~

21 ~~(iii) The secretary of the Department of Revenue, in consultation with the~~  
22 ~~Department of Insurance, shall promulgate such rules and regulations in accordance~~  
23 ~~with the Administrative Procedure Act as may be necessary to carry out the~~  
24 ~~provisions of this Subparagraph.~~

25 ~~(ff)~~ (bb) For purposes of sales taxes imposed by the state or any political  
26 subdivision of the state, the term "retail sale" or "sale at retail" shall not include sales  
27 of tangible personal property by the Military Department, state of Louisiana, which  
28 occur on an installation or other property owned or operated by the Military  
29 Department.

1           ~~(gg)~~ (cc) For purposes of sales and use tax imposed ~~by the state~~ or any  
2 political subdivision of the state, the term "sale at retail" shall not include the sale of  
3 anthropogenic carbon dioxide for use in a qualified tertiary recovery project approved  
4 by the assistant secretary of the office of conservation of the Department of Natural  
5 Resources pursuant to R.S. 47:633.4.

6           ~~(hh)~~ (dd) For purposes of sales and use tax imposed ~~by the state~~, any political  
7 subdivision whose boundaries are coterminous with those of the state, or any other  
8 political subdivision, the term "sale at retail" shall not include the sale of tangible  
9 personal property at an event providing Louisiana heritage, culture, crafts, art, food,  
10 and music which is sponsored by a domestic nonprofit organization that is exempt  
11 from tax under Section 501(c)(3) of the Internal Revenue Code. The provisions of  
12 this Subparagraph shall apply only to an event which transpires over a minimum of  
13 seven but not more than twelve days and has a five-year annual average attendance  
14 of at least three hundred thousand over the duration of the event. For purposes of  
15 determining the five-year annual average attendance, the calculation shall include the  
16 total annual attendance for each of the five most recent years. The provisions of this  
17 Subparagraph shall apply only to sales by the sponsor of the event.

18           (11) "Retailer" means and includes every person engaged in the business of  
19 making sales at retail or for distribution, or use or consumption, or storage to be used  
20 or consumed in this state.

21           (12) "Sale" means any transfer of title or possession, or both, exchange,  
22 barter, conditional or otherwise, in any manner or by any means whatsoever, of  
23 tangible personal property, for a consideration, and includes the fabrication of  
24 tangible personal property for consumers who furnish, either directly or indirectly, the  
25 materials used in fabrication work, and the furnishing, preparing or serving, for a  
26 consideration, of any tangible personal property, consumed on the premises of the  
27 person furnishing, preparing or serving such tangible personal property. A transaction  
28 whereby the possession of property is transferred but the seller retains title as security  
29 for the payment of the price shall be deemed a sale.

1           (13)(a) "Sales price" means the total amount for which tangible personal  
2           property is sold, less the market value of any article traded in including any services,  
3           except services for financing, that are a part of the sale valued in money, whether paid  
4           in money or otherwise, and includes the cost of materials used, labor or service costs,  
5           except costs for financing which shall not exceed the legal interest rate and a service  
6           charge not to exceed six percent of the amount financed, and losses; provided that  
7           cash discounts allowed and taken on sales shall not be included; ~~nor shall the sales~~  
8           ~~price include the amount charged for labor or services rendered in installing, applying,~~  
9           ~~remodeling, or repairing property sold.~~

10           (b) The Solely for purposes of sales and use taxes imposed by a political  
11           subdivision, the term "sales price" shall not include any amount designated as a cash  
12           discount or a rebate by the vendor or manufacturer of any new vehicle subject to the  
13           motor vehicle license tax. For purposes of this Paragraph "rebate" means any amount  
14           offered by a vendor or manufacturer as a deduction from the listed retail price of the  
15           vehicle.

16           (c) Solely for purposes of sales and use taxes imposed by a political  
17           subdivision, "Sales price" shall not include the first fifty thousand dollars of the sale  
18           price of new farm equipment used in poultry production.

19           (d) Notwithstanding any other provision of law to the contrary, for purposes  
20           of ~~state and~~ political subdivision sales and use tax, the "sales price" of refinery gas,  
21           except for feedstock, not ultimately consumed as an energy source by the person who  
22           owns the facility in which the refinery gas is created as provided for in Subparagraph  
23           (18)(d) of this Section, but sold to another person, whether at retail or wholesale, shall  
24           be fifty-two cents per thousand cubic feet multiplied by a fraction the numerator of  
25           which shall be the posted price for a barrel of West Texas Intermediate Crude Oil on  
26           December first of the preceding calendar year and the denominator of which shall be  
27           twenty-nine dollars, and provided further that such sales price shall be the maximum  
28           value placed upon refinery gas by the state and by any political subdivision under any

1 authority or grant of power to levy and collect sales or use taxes, and such sale shall  
2 be taxable.

3 (e) The term "sales price", for purposes of the sales tax imposed by the state  
4 and its political subdivisions, shall exclude any amount that a manufacturer pays  
5 directly to a dealer of the manufacturer's product for the purpose of reducing and that  
6 actually results in an equivalent reduction in the retail "sales price" of that product.  
7 This exclusion shall not apply to the value of the manufacturer's coupons that dealers  
8 accept from purchasers as part payment of the "sales price" and that are redeemable  
9 by the dealers through manufacturers or their agents. The value of such coupons is  
10 deemed to be part of the "sales price" of the product purchased through the use of the  
11 coupons.

12 (f) The term "sales price" shall exclude any charge, fee, money, or other  
13 consideration received, given, or paid for the performance of funeral directing  
14 services as defined in Subparagraph (10)(s) of this Section.

15 (g) ~~For purposes of the imposition of~~ Solely for purposes of sales and use  
16 taxes imposed ~~or levied by all taxing authorities in the state by a political~~  
17 subdivision, in the case of the retail sale by a dealer of any cellular, PCS, or wireless  
18 telephone, any electronic accessories that are physically connected with such  
19 telephones and personal communications devices used in connection with the sale or  
20 use of mobile telecommunications services, as defined in R.S. 47:301(10)(v), the term  
21 "sales price" shall mean and include only the amount of money, if any, actually  
22 received by the dealer from the purchaser for each such cellular, PCS, or wireless  
23 telephone and any electronic accessories that are physically connected with such  
24 telephones and personal communication devices, but shall not include (i) any amount  
25 received by the dealer from the purchaser for providing mobile telecommunications  
26 services, or (ii) any commissions, fees, rebates, or other amounts received by the  
27 dealer from any source other than the purchaser as a result of or in connection with  
28 the sale of the cellular, PCS, or wireless telephone, any electronic accessories that are  
29 physically connected with such telephones and personal communication devices.

(h) For the purpose of the imposition of sales and use tax imposed or levied by all taxing authorities in the state of any cellular, PCS, or wireless telephone used in connection with the sale or use of mobile telecommunications services, as defined in R.S. 47:301(10)(v), after January 1, 2002, the term "sales price" shall mean and include the greater of (i) the amount of money actually received by the dealer from the purchaser for each such telephone, or (ii) twenty-five percent of the cost of such telephone to the dealer, but shall not include any amount received by the dealer from the purchaser for providing mobile telecommunications services or any commissions, fees, rebates, or other amounts received by the dealer from any source other than the purchaser as a result of or in connection with the sale of the telephone.

(i)(i) For Solely for purposes of sales and use taxes imposed by a political subdivision, for purposes of a publishing business which distributes its news publications at no cost to readers and pays unrelated third parties to print such news publications, the term "sales price" shall mean only the lesser of the following costs:

(aa) The printing cost paid to unrelated third parties to print such news publications, less any itemized freight charges for shipping the news publications from the printer to the publishing business and any itemized charges for paper and ink.

(bb) Payments to a dealer or distributor as consideration for distribution of the news publications.

(ii) The definition of "sales price" provided for in this Subparagraph shall be applicable to taxes levied by all tax authorities in the state.

(j) For the purpose of the imposition of sales and use tax imposed or levied by any political subdivision ~~of the state~~, in the case of any retail sale or sale at retail, of any cellular telephone, PCS telephone, or wireless telephone used in connection with the sale or use of mobile telecommunications services, as defined in R.S. 47:301(10)(w), or any electronic accessory that is physically connected with any such telephone or personal communication device, the term "sales price" shall mean and include the greater of (i) the amount of money, if any, actually received by the dealer

1 from the purchaser at the time of the retail sale or sale at retail by the dealer to the  
2 purchaser for each such telephone, personal communication device, or electronic  
3 accessory, or (ii) twenty-five percent of the cost of such telephone to the dealer, but  
4 shall not include any amount received by the dealer from the purchaser for providing  
5 mobile telecommunications services or any commissions, fees, rebates, activation  
6 charges, or other amounts received by the dealer from any source other than the  
7 purchaser as a result of or in connection with the sale of the telephone.

8 ~~(k)(i) For purposes of the imposition of the sales tax levied by the state and~~  
9 ~~any political subdivision whose boundaries are coterminous with those of the state,~~  
10 ~~the sales price of machinery and equipment purchased by a manufacturer for use in~~  
11 ~~a plant facility predominately and directly in the actual manufacturing for agricultural~~  
12 ~~purposes or the actual manufacturing process of an item of tangible personal property,~~  
13 ~~which is for ultimate sale to another and not for internal use, at one or more fixed~~  
14 ~~locations within Louisiana shall be reduced as follows:~~

15 ~~(aa) For the period ending on June 30, 2005, the sales price shall be reduced~~  
16 ~~by five percent.~~

17 ~~(bb) For the period beginning July 1, 2005, and ending on June 30, 2006, the~~  
18 ~~sales price shall be reduced by nineteen percent.~~

19 ~~(cc) For the period beginning July 1, 2006, and ending on June 30, 2007, the~~  
20 ~~sales price shall be reduced by thirty-five percent.~~

21 ~~(dd) For the period beginning July 1, 2007, and ending on June 30, 2008, the~~  
22 ~~sales price shall be reduced by fifty-four percent.~~

23 ~~(ee) For the period beginning July 1, 2008, and ending on June 30, 2009, the~~  
24 ~~sales price shall be reduced by sixty-eight percent.~~

25 ~~(ff) For all periods beginning on or after July 1, 2009, the sales price shall be~~  
26 ~~reduced by one hundred percent.~~

27 ~~(ii) For purposes of this Subparagraph, "machinery and equipment",~~  
28 ~~"manufacturer", "manufacturing", "manufacturing for agricultural purposes", "plant~~

1 facility", and "used directly" shall have the same meaning as defined in R.S.  
2 47:301(3)(i)(ii):

3 (iii) No person shall be entitled to purchase, use, lease, or rent machinery or  
4 equipment as defined herein without payment of the tax imposed by R.S. 47:302, 321,  
5 and 331 before receiving a certificate of exclusion from the secretary of the  
6 Department of Revenue certifying that he is a manufacturer as defined herein.

7 (iv) The secretary of the Department of Revenue is hereby authorized to adopt  
8 rules and regulations in order to administer the exclusion provided for in this  
9 Subparagraph.

10 (i)(i) For purposes of the payment of the state sales and use tax and the sales  
11 and use tax levied by any (k)(i) Solely for purposes of sales and use taxes imposed  
12 by a political subdivision, the term "sales price" shall not include the price of  
13 specialty items sold to members for fund-raising purposes by nonprofit carnival  
14 organizations domiciled within Louisiana and participating in a parade sponsored by  
15 a carnival organization.

16 (ii) The secretary of the Department of Revenue shall promulgate rules and  
17 regulations for purposes of this exclusion.

18 (iii) No nonprofit carnival organization domiciled within Louisiana and  
19 participating in a parade sponsored by a carnival organization shall claim exemption  
20 or exclusion from the state sales and use tax or the sales and use tax levied by any  
21 political subdivision before having obtained a certificate of authorization. ~~from the~~  
22 ~~secretary of the Department of Revenue. The secretary shall develop applications for~~  
23 ~~such certificates. The certificates shall be issued without charge to the entities which~~  
24 ~~qualify.~~

25 (m) (l) For purposes of the sales and use tax imposed by the state or any  
26 political subdivision whose boundaries are coterminous with those of the state, the  
27 "sales price" of electric power or energy, or natural gas for the period beginning July  
28 1, 2007, and thereafter, sold for use by paper or wood products manufacturing  
29 facilities shall not include any of such price.

1 (14) "Sales of services" means and includes the following:

2 (a) The furnishing of sleeping rooms, cottages or cabins by hotels.

3 (b)(i) ~~The~~ Solely for purposes of sales and use taxes imposed by a political  
4 subdivision, the sale of admissions to places of amusement, to athletic entertainment  
5 other than that of schools, colleges, and universities, and recreational events, and the  
6 furnishing, for dues, fees, or other consideration of the privilege of access to clubs or  
7 the privilege of having access to or the use of amusement, entertainment, athletic, or  
8 recreational facilities; but the term "sales of services" shall not include membership  
9 fees or dues of nonprofit, civic organizations, including by way of illustration and not  
10 of limitation the Young Men's Christian Association, the Catholic Youth  
11 Organization, and the Young Women's Christian Association.

12 (ii) ~~Places~~ Solely for purposes of sales and use taxes imposed by a political  
13 subdivision, places of amusement shall not include "museums", which are hereby  
14 defined as public or private nonprofit institutions which are organized on a permanent  
15 basis for essentially educational or aesthetic purposes and which use professional staff  
16 to do all of the following:

17 (aa) Own or use tangible objects, whether animate or inanimate.

18 (bb) Care for those objects.

19 (cc) Exhibit them to the public on a regular basis.

20 (iii) Museums include but are not limited to the following institutions:

21 (aa) Museums relating to art, history, including historic buildings, natural  
22 history, science, and technology.

23 (bb) Aquariums and zoological parks.

24 (cc) Botanical gardens and arboretums.

25 (dd) Nature centers.

26 (ee) Planetariums.

27 (iv) For purposes of the sales and use taxes of ~~all tax authorities in the state~~  
28 a political subdivision, the term "places of amusement" as used herein shall not  
29 include camp and retreat facilities owned and operated by nonprofit organizations

1 exempt from federal income tax under Section 501(a) of the Internal Revenue Code  
2 as an organization described in Section 501(c)(3) of the Internal Revenue Code  
3 provided that the net revenue derived from the organization's property is devoted  
4 wholly to the nonprofit organization's purposes.

5 (c) The furnishing of storage or parking privileges by auto hotels and parking  
6 lots.

7 (d) The furnishing of printing or overprinting, lithographic, multilith, blue  
8 printing, photostating or other similar services of reproducing written or graphic  
9 matter.

10 (e) The furnishing of laundry, cleaning, pressing and dyeing services,  
11 including by way of extension and not of limitation, the cleaning and renovation of  
12 clothing, furs, furniture, carpets and rugs, and the furnishing of storage space for  
13 clothing, furs and rugs.

14 (f) The furnishing of cold storage space, except that space which is furnished  
15 pursuant to a bailment arrangement, and the furnishing of the service of preparing  
16 tangible personal property for cold storage where such service is incidental to the  
17 operation of storage facilities.

18 (g)(i)(aa) The furnishing of repairs to tangible personal property, including  
19 but not restricted to the repair and servicing of automobiles and other vehicles,  
20 electrical and mechanical appliances and equipment, watches, jewelry, refrigerators,  
21 radios, shoes, and office appliances and equipment.

22 (bb) For purposes of the sales and use tax levied ~~by the state and~~ by tax  
23 authorities in East Feliciana Parish, charges for the furnishing of repairs to tangible  
24 personal property may be excluded from sales of services, as defined in this  
25 Subparagraph, when the repaired property is delivered to the customer in another state  
26 either by common carrier or the repair dealer's own vehicle, however, as to aircraft,  
27 delivery may be by the best available means. This exclusion shall not apply to sales  
28 and use taxes levied by any other parish, municipality or school board. However, any  
29 other parish, municipality or school board may apply the exclusion as defined in this

1 Subparagraph to sales or use taxes levied by any such parish, municipality, or school  
2 board. Offshore areas shall not be considered another state for the purpose of this  
3 Subparagraph.

4 (ii) For the purposes of this Subparagraph, tangible personal property shall  
5 include machinery, appliances, and equipment which have been declared immovable  
6 by declaration under the provisions of Article 467 of the Louisiana Civil Code, and  
7 things which have been separated from land, buildings, or other constructions  
8 permanently attached to the ground or their component parts as defined in Article 466  
9 of the Civil Code.

10 (iii)(aa) For purposes of the sales and use taxes imposed by ~~the state or any~~  
11 ~~of its~~ political subdivisions, sale of services shall not include the labor, or sale of  
12 materials, services, and supplies, used for the repairing, renovating, or converting of  
13 any drilling rig, or machinery and equipment which are component parts thereof,  
14 which is used exclusively for the exploration or development of minerals outside the  
15 territorial limits of the state in Outer Continental Shelf waters.

16 (bb) For the purposes of this Subitem, "drilling rig" means any unit or  
17 structure, along with its component parts, which is used primarily for drilling,  
18 workover, intervention or remediation of wells used for exploration or development  
19 of minerals and "component parts" means any machinery or equipment necessary for  
20 a drilling rig to perform its exclusive function of exploration or development of  
21 minerals.

22 (h) ~~The~~ Solely for purposes of sales and use taxes imposed by a political  
23 subdivision, the term "sale of service" shall not include an action performed pursuant  
24 to a contract with the United States Department of the Navy for construction or  
25 overhaul of U.S. Naval vessels.

26 (i) Solely for purposes of the sales and use tax levied by the state, the  
27 furnishing of telecommunications services for compensation, in accordance with the  
28 provisions of R.S. 47:301.1. Local political subdivisions are prohibited from levying  
29 a sales and use tax on telecommunications services not in effect on July 1, 1990,

1 provided, however, that the provisions of this Subparagraph shall not be construed to  
2 prohibit the levy or collection of any franchise, excise, gross receipts, or similar tax  
3 or assessment by any political subdivision of the state as defined in Article VI,  
4 Section 44(2) of the Constitution of Louisiana.

5 (j) Notwithstanding any provision of law to the contrary, for purposes of sales  
6 or use taxation by ~~the state or~~ any local political subdivision, the term "sales of  
7 services" shall not mean or include any funeral directing services as defined in  
8 Subparagraph (10)(s) of this Section. Subject to approval by the House Committee on  
9 Ways and Means and the Senate Committee on Revenue and Fiscal Affairs, the state  
10 Department of Revenue shall devise a formula for the calculation of the tax.

11 (k) For ~~Solely for~~ purposes of sales and use tax imposed by ~~the state, any~~  
12 ~~a political subdivision whose boundaries are coterminous with those of the state, or~~  
13 ~~any other political subdivision,~~ the term "sales of services" shall not mean or include  
14 admission charges for, outside gate admissions to, or parking fees associated with an  
15 event providing Louisiana heritage, culture, crafts, art, food, and music which is  
16 sponsored by a domestic nonprofit organization that is exempt from tax under Section  
17 501(c)(3) of the Internal Revenue Code. The provisions of this Subparagraph shall  
18 apply only to an event which transpires over a minimum of seven but not more than  
19 twelve days and has a five-year annual average attendance of at least three hundred  
20 thousand over the duration of the event. For purposes of determining the five-year  
21 annual average attendance, the calculation shall include the total annual attendance  
22 for each of the five most recent years. The provisions of this Subparagraph shall  
23 apply only to admission charges for, outside gate admissions to, or parking fees  
24 associated with an event when the charges and fees are payable to or for the benefit  
25 of the sponsor of the event.

26 (15) "Storage" means and includes any keeping or retention in the taxing  
27 jurisdiction of tangible personal property for use or consumption within the taxing  
28 jurisdiction or for any purpose other than for sale at retail in the regular course of  
29 business.

1 (16)(a) "Tangible personal property" means and includes personal property  
2 which may be seen, weighed, measured, felt or touched, or is in any other manner  
3 perceptible to the senses.

4 (b) The term "tangible personal property" shall not include:

5 (i) Stocks, bonds, notes, or other obligations or securities.

6 (ii) ~~Gold,~~ Solely for purposes of sales and use taxes imposed by a political  
7 subdivision, gold, silver, or numismatic coins, or platinum, gold, or silver bullion  
8 having a total value of one thousand dollars or more.

9 (iii) ~~Proprietary~~ Solely for purposes of sales and use taxes imposed by a  
10 political subdivision, proprietary geophysical survey information or geophysical data  
11 analysis furnished under a restricted use agreement even though transferred in the  
12 form of tangible personal property.

13 (c) ~~The~~ Solely for purposes of sales and use tax imposed by a political  
14 subdivision, the term "tangible personal property" shall not include the repair of a  
15 vehicle by a licensed motor vehicle dealer which is performed subsequent to the lapse  
16 of the applicable warranty on that vehicle and at no charge to the owner of the  
17 vehicle. For the purpose of assessing a sales and use tax on this transaction, no  
18 valuation shall be assigned to the services performed or the parts used in the repair.

19 (d)(i) Notwithstanding any provision of law to the contrary and solely for  
20 purposes of state sales and use tax, any sale of a prepaid calling service or prepaid  
21 wireless calling service, or both, shall be deemed to be the sale of tangible personal  
22 property.

23 (ii) Prepaid calling services and prepaid wireless calling services shall be  
24 subject to the tax imposed by this Chapter if the sale takes place in this state. If the  
25 customer physically purchases a prepaid calling service or prepaid wireless calling  
26 service at the vendor's place of business, the sale is deemed to take place at the  
27 vendor's place of business. If the customer does not physically purchase the service  
28 at the vendor's place of business, the sale of a prepaid calling service or prepaid

1 wireless calling service is deemed to take place at the first of the following locations  
2 that applies to the sale:

3 (aa) The customer's shipping address, if the sale involves a shipment.

4 (bb) The customer's billing address.

5 (cc) Any other address of the customer that is known by the vendor.

6 (dd) The address of the vendor or, alternatively in the case of a prepaid  
7 wireless calling service, the location associated with the mobile telephone number.

8 (e) ~~The~~ Solely for purposes of sales and use taxes imposed by a political  
9 subdivision, the term "tangible personal property" shall not include work products  
10 which are written on paper, stored on magnetic or optical media, or transmitted by  
11 electronic device, when such work products are created in the normal course of  
12 business by any person licensed or regulated by the provisions of Title 37 of the  
13 Louisiana Revised Statutes of 1950, unless such work products are duplicated without  
14 modification for sale to multiple purchasers. This exclusion shall not apply to work  
15 products which consist of the creation, modification, updating, or licensing of  
16 computer software.

17 (f) ~~The~~ Solely for purposes of sales and use taxes imposed by a political  
18 subdivision, the term "tangible personal property" shall not include pharmaceuticals  
19 administered to livestock used for agricultural purposes, except as otherwise provided  
20 in this Subparagraph. Only pharmaceuticals not included in the term "tangible  
21 personal property" shall be registered with the Louisiana Department of Agriculture  
22 and Forestry. Legend drugs administered to livestock used for agricultural purposes  
23 are not required to be registered, but such legend drugs that are not registered shall  
24 be "tangible personal property".

25 (g)(i) ~~Notwithstanding~~ Solely for purposes of sales and use taxes imposed by  
26 a political subdivision, notwithstanding the provisions of R.S. 9:1149.1 et seq., except  
27 as otherwise provided in this Subparagraph, the term "tangible personal property"  
28 shall not include factory built homes.

(ii) For purposes of this Subparagraph, "factory built home" means a residential structure which is built in a factory in one or more sections and has a chassis or integrated wheel delivery system, which is either:

(aa) A structure built to federal construction standards as defined in Section 5402 of Title 42 of the United States Code.

(bb) A residential structure built to the Louisiana State Uniform Construction Code.

(cc) A manufactured home, modular home, mobile home, or residential mobile home with or without a permanent foundation, which includes plumbing, heating, and electrical systems.

(iii) "Factory built home" shall not include any self-propelled recreational vehicle or travel trailer.

(iv) The "tangible personal property" as applied to sales and use taxes levied by the state or any other taxing authority in the state shall include a new factory built home, for the initial sale from a dealer to a consumer, ~~but only~~ . Solely for purposes of sales and use taxes imposed by a political subdivision, a factory built home shall only be considered tangible personal property to the extent that forty-six percent of the retail sales price shall be so considered as "tangible personal property". Thereafter, each subsequent resale of a factory built home shall not be considered as "tangible personal property".

(v) The sales and use taxes due on these transactions shall be paid to the Louisiana Department of Public Safety and Corrections, office of motor vehicles, by the twentieth day of the month following the month of delivery of the factory built home to the consumer, along with any other information requested by the office of motor vehicles.

~~(h)(i) Solely for purposes of the imposition of the sales and use tax levied by the state or any political subdivision whose boundaries are coterminous with those of the state, for the period beginning July 1, 2002, and ending on June 30, 2003, the term~~

1       ~~"tangible personal property" shall not include one-quarter of the cost price of custom~~  
2       ~~computer software.~~

3               (ii) ~~Solely for purposes of the imposition of the sales and use tax levied by the~~  
4       ~~state or any political subdivision whose boundaries are coterminous with those of the~~  
5       ~~state, for the period beginning July 1, 2003, and ending on June 30, 2004, the term~~  
6       ~~"tangible personal property" shall not include one-half of the cost price of custom~~  
7       ~~computer software.~~

8               (iii) ~~Solely for purposes of the imposition of the sales and use tax levied by~~  
9       ~~the state or any political subdivision whose boundaries are coterminous with those of~~  
10       ~~the state, for the period beginning July 1, 2004, and ending on June 30, 2005, the term~~  
11       ~~"tangible personal property" shall not include three-quarters of the cost price of~~  
12       ~~custom computer software.~~

13               (iv) ~~Solely for purposes of the imposition of the sales and use tax levied by~~  
14       ~~the state or any political subdivision whose boundaries are coterminous with those of~~  
15       ~~the state, for all taxable periods beginning on or after July 1, 2005, and ending on~~  
16       ~~December 31, 2013, the term "tangible personal property" shall not include custom~~  
17       ~~computer software.~~

18               (i) ~~Solely for purposes of the imposition of the state sales and use tax, the~~  
19       ~~term "tangible personal property" shall not include digital television conversion~~  
20       ~~equipment and digital radio conversion equipment as defined in this Section.~~

21                       (i) ~~"Digital television conversion equipment" shall include the following:~~

22                               (aa) ~~DTV transmitter and RF system.~~

23                               (bb) ~~Transmission line.~~

24                               (cc) ~~DTV antenna.~~

25                               (dd) ~~Tower.~~

26                               (ee) ~~Existing tower structural upgrade.~~

27                               (ff) ~~Advanced TV receiver (STL receiver).~~

28                               (gg) ~~Decoder (digital to analog converter for NTSC).~~

29                               (hh) ~~DTV transmission system test and monitoring.~~

- 1                   ~~(ii) Digital video/audio master control switcher.~~
- 2                   ~~(jj) Analog to digital conversion.~~
- 3                   ~~(kk) High definition up-converters.~~
- 4                   ~~(ll) High definition bypass switcher.~~
- 5                   ~~(mm) Down converters for standard definition.~~
- 6                   ~~(nn) Advanced TV transmitter (STL transmitter).~~
- 7                   ~~(oo) Advanced TV signal encoder.~~
- 8                   ~~(pp) DTV transmission monitoring.~~
- 9                   ~~(qq) High definition digital video switcher and DVE.~~
- 10                  ~~(rr) High definition studio cameras.~~
- 11                  ~~(ss) High definition graphics/graphic generator.~~
- 12                  ~~(tt) High definition video monitoring.~~
- 13                  ~~(uu) Conversion gear.~~
- 14                  ~~(vv) High definition recorder/players, including tape, disk, etc.~~
- 15                  ~~(ww) High definition video/audio signal router.~~
- 16                  ~~(xx) High definition video/audio media server.~~
- 17                  ~~(yy) MPEG or HDTV digital receivers for program content.~~
- 18                  ~~(zz) High definition recorder/players, including tape, disk, etc.~~
- 19                  ~~(aaa) High definition video/audio media server and workstations.~~
- 20                  ~~(bbb) Digital EAS encoder/decoder.~~
- 21                  ~~(ccc) High definition camcorder, including tape, disk, etc.~~
- 22                  ~~(ddd) Advanced TV transmitters, including microwave.~~
- 23                  ~~(ii) "Digital radio conversion equipment" shall include the following:~~
- 24                   ~~(aa) IBOC transmitter.~~
- 25                   ~~(bb) IBOC main channel and IBOC combiner.~~
- 26                   ~~(cc) IBOC compatible antenna.~~
- 27                   ~~(dd) Tower.~~
- 28                   ~~(ee) IBOC coaxial bypass switcher.~~
- 29                   ~~(ff) Digital STL.~~

1           ~~(gg) STL heliax transmission line.~~

2           ~~(hh) STL antenna.~~

3           ~~(ii) Digital console.~~

4           ~~(jj) EAS insertion.~~

5           ~~(kk) AES EBU conversion equipment.~~

6           ~~(ll) IBOL transmission testing and monitoring equipment.~~

7           ~~(mm) Digital processor.~~

8           ~~(iii) The exclusion from state sales and use tax authorized by this~~  
9           ~~Subparagraph shall only apply to the first purchase of each enumerated item by an~~  
10           ~~individual taxpayer who holds a Federal Communications Commission license issued~~  
11           ~~pursuant to 47 CFR Part 73. Individual taxpayers operating under several broadcaster~~  
12           ~~licenses shall be allowed one purchase of each enumerated item per license. Each~~  
13           ~~subsequent purchase of any of the enumerated items by the same taxpayer or license~~  
14           ~~holder shall be subject to sales and use tax.~~

15           ~~(v) Any eligible taxpayer who has purchased any item enumerated in Item (i)~~  
16           ~~or (ii) of this Subparagraph subsequent to January 1, 1999, but prior to the effective~~  
17           ~~date of this Act, shall be entitled to a credit against the state sales and use tax due in~~  
18           ~~any year for an amount equal to state sales and use tax paid on the purchase of the~~  
19           ~~item.~~

20           ~~(vi) Local taxing authorities are hereby authorized to provide an exemption~~  
21           ~~from any local sales and use tax liability to any taxpayers holding a Federal~~  
22           ~~Communications Commission license issued pursuant to 47 CFR Part 73 which has~~  
23           ~~purchased any of the equipment listed in Item (i) or (ii) of this Subparagraph. Local~~  
24           ~~taxing authorities are further authorized to provide a credit against any tax liability~~  
25           ~~for the amount of local sales tax paid by taxpayers holding Federal Communications~~  
26           ~~Commission licenses issued pursuant to 47 CFR Part 73 on any equipment listed in~~  
27           ~~Item (i) or (ii) of the Subparagraph purchased subsequent to January 1, 1999, but prior~~  
28           ~~to June 25, 2002.~~

1           ~~(vii) No exclusion from state sales and use tax as authorized in this~~  
2           ~~Subsection shall be allowed after the Federal Communications Commission has~~  
3           ~~issued an order mandating license holders, issued pursuant to 47 CFR Part 73, to~~  
4           ~~discontinue broadcasting their analog signal.~~

5           ~~(viii) The Department of Revenue shall adopt rules and regulations necessary~~  
6           ~~for the implementation of this Act no later than August 1, 2002.~~

7           ~~(j) (i) The~~ Solely for purposes of sales and use taxes imposed by a political  
8           ~~subdivision, the~~ term "tangible personal property", for purposes of the payment of  
9           sales and use taxes levied by all tax authorities in the state, shall not include materials  
10          used directly in the collection, separation, treatment, testing, and storage of blood by  
11          nonprofit blood banks and nonprofit blood collection centers.

12          ~~(k) The~~ (j) Solely for purposes of sales and use taxes imposed by a political  
13          ~~subdivision, the~~ term "tangible personal property" ~~for purposes of the sales and use~~  
14          ~~taxes imposed by all tax authorities in this state~~ shall not include apheresis kits and  
15          leuko reduction filters used by nonprofit blood banks and nonprofit blood collection  
16          centers.

17          ~~(l) (k) For purposes of the sales and use tax imposed by the state of Louisiana,~~  
18          ~~by a political subdivision whose boundaries are coterminous with those of the state,~~  
19          ~~or by all political subdivisions of the state and without regard to the nature of the~~  
20          ownership of the ground, tangible personal property shall not include other  
21          constructions permanently attached to the ground which shall be treated as immovable  
22          property.

23          ~~(m) (l)(i) Notwithstanding any other provision of law to the contrary, for~~  
24          ~~purposes of the sales and use tax levied by the state or any political subdivision whose~~  
25          ~~boundaries are coterminous with those of the state~~ a political subdivision, the term  
26          "tangible personal property" shall not include machinery and equipment used by a  
27          motor vehicle manufacturer with a North American Industry Classification System  
28          (NAICS) Code beginning with 3361, or by a glass container manufacturer with a

1        NAICS Code of 327213. This exclusion shall be subject to the definitions and  
2        requirements of Item (3)(i)(ii) of this Section.

3                (ii) A political subdivision may provide for a sales and use tax exemption for  
4        the sales, cost, or lease or rental price of manufacturing machinery and equipment as  
5        provided for in this Section, either effective upon adoption or enactment or phased in  
6        over a period of time, or effective for a certain period of time or duration, all as set  
7        forth in the instrument, resolution, vote, or other affirmative action providing the  
8        exemption.

9                (iii) Notwithstanding any other provision of this Section, tooling in a  
10       compression mold process shall be considered manufacturing machinery and  
11       equipment for purposes of this Section.

12               ~~(n) (i) For purposes of the imposition of the sales and use tax levied by the~~  
13       ~~state, the term "tangible personal property" shall not include machinery and~~  
14       ~~equipment purchased by the owner of a radio station located within the state that is~~  
15       ~~licensed by the Federal Communications Commission for radio broadcasting, if the~~  
16       ~~owner is either of the following:~~

17               ~~(aa) An individual domiciled in the state who owns a business with~~  
18       ~~substantially all of its assets located in the state and substantially all of its payroll paid~~  
19       ~~in the state.~~

20               ~~(bb) A business entity with substantially all of its assets located in the state~~  
21       ~~and substantially all of its payroll paid in the state; provided that the business entity~~  
22       ~~is not owned or controlled or is otherwise an affiliate of a multi-state business entity~~  
23       ~~and is not owned or controlled by an individual who is not domiciled in the state.~~

24               ~~(ii) "Radio broadcasting" means the sound transmission made via~~  
25       ~~electromagnetic waves for direct sound reception by the general public.~~

26               ~~(o) (i) For purposes of the imposition of the sales and use tax levied by the~~  
27       ~~state and any political subdivision whose boundaries are coterminous with those of~~  
28       ~~the state, the term "tangible personal property" shall not include machinery and~~  
29       ~~equipment as defined in and subject to the requirements of R.S. 47:301(3)(i)(ii) which~~

1 is purchased by a utility regulated by the Public Service Commission or the council  
2 of the City of New Orleans. For the purposes of this Paragraph, the term "utility"  
3 shall mean a person regulated by the Public Service Commission or the council of the  
4 City of New Orleans who is assigned a North American Industrial Classification  
5 System Code 22111, Electric Power Generation, as it existed in 2002. Such utility  
6 shall also be considered a "manufacturer" for purposes of R.S. 47:301(3)(i)(ii).

7 (ii) For purposes of this Subparagraph, a A political subdivision whose  
8 boundaries are not coterminous with those of the state may provide for a sales and use  
9 tax exclusion for machinery and equipment as defined in and subject to the  
10 requirements of R.S. 47:301(3)(i)(ii) which is purchased by a utility regulated by the  
11 Public Service Commission or the council of the city of New Orleans.

12 ~~(p)~~ (o) For purposes of sales and use taxes imposed by the state or any of its  
13 any political subdivisions, the term "tangible personal property" shall not include  
14 newspapers.

15 ~~(q)~~ (p) For purposes of sales and use taxes imposed by the state, any statewide  
16 ~~taxing authority, or~~ any political subdivision, the term "tangible personal property"  
17 shall not include any property that would have been considered immovable property  
18 prior to the enactment on July 1, 2008, of Act No. 632 of the 2008 Regular Session  
19 of the Legislature.

20 (17) "Off-road vehicle" is any vehicle manufactured for off road use which  
21 is issued a manufacturer's statement of origin that cannot be issued a registration  
22 certificate and license to operate on the public roads of this state because at the time  
23 of manufacture the vehicle does not meet the safety requirements prescribed by R.S.  
24 32:1301 through R.S. 32:1310. This includes vehicles that are issued a title only by  
25 the Vehicle Registration Bureau, Department of Public Safety and Corrections, such  
26 as all terrain vehicles and recreational and sport vehicles, but it does not include off  
27 road vehicles used for farm purposes, farm equipment, or heavy construction  
28 equipment.

1           (18)(a)(i) Solely for purposes of the imposition of the state sales and use tax,  
2           "use" means and includes the exercise of any right or power over tangible personal  
3           property incident to the ownership thereof, ~~except that it shall not include the sale at~~  
4           ~~retail of that property in the regular course of business or the donation to a school in~~  
5           ~~the state which meets the definition provided in R.S. 17:236 or to a public or~~  
6           ~~recognized independent institution of higher education in the state of property~~  
7           ~~previously purchased for resale in the regular course of a business. The term "use"~~  
8           ~~shall not include the purchase, the importation, the consumption, the distribution, or~~  
9           ~~the storage of automobiles to be leased in an arm's length transaction, nor shall the~~  
10          ~~term "use" include the donation of food items to a food bank as defined in R.S.~~  
11          ~~9:2799(B).~~

12           (ii) For purposes of the imposition of the sales and use tax levied by a  
13          political subdivision or school board, "use" shall mean and include the exercise of any  
14          right or power over tangible personal property incident to the ownership thereof,  
15          except that it shall not include the sale at retail of that property in the regular course  
16          of business or the donation to a school in the state which meets the definition  
17          provided in R.S. 17:236 or to a public or recognized independent institution of higher  
18          education in the state of property previously purchased for resale in the regular course  
19          of a business. The term "use" shall not include the donation of food items to a food  
20          bank as defined in R.S. 9:2799(B).

21           ~~(iii) The term "use", for purposes of sales and use taxes imposed by the state~~  
22          ~~on the use for rental of automobiles which take place on or after January 1, 1991, and~~  
23          ~~by political subdivisions on such use on or after July 1, 1996, and state sales and use~~  
24          ~~taxes imposed on the use for lease or rental of tangible personal property other than~~  
25          ~~automobiles which take place on or after July 1, 1991, shall not include the purchase,~~  
26          ~~the importation, the consumption, the distribution, or the storage of tangible personal~~  
27          ~~property to be leased or rented in an arm's length transaction as tangible personal~~  
28          ~~property. For purposes of the imposition of the tax levied by any political subdivision~~  
29          ~~of the state, for the period beginning July 1, 1999, and ending on June 30, 2000, the~~

1 term "use" shall not include ~~one-fourth of the cost price of any tangible personal~~  
2 ~~property which is purchased, imported, consumed, distributed, or stored and which~~  
3 ~~is to be leased or rented in an arm's length transaction in the form of tangible personal~~  
4 ~~property. For purposes of the imposition of the tax levied by any political subdivision~~  
5 ~~of the state, for the period beginning July 1, 2000, and ending on June 30, 2001, the~~  
6 ~~term "use" shall not include one-half of the cost price of any tangible personal~~  
7 ~~property which is purchased, imported, consumed, distributed, or stored and which~~  
8 ~~is to be leased or rented in an arm's length transaction in the form of tangible personal~~  
9 ~~property. For purposes of the imposition of the tax levied by any political subdivision~~  
10 ~~of the state, for the period beginning July 1, 2001, and ending on June 30, 2002, the~~  
11 ~~term "use" shall not include three-fourths of the cost price of any tangible personal~~  
12 ~~property which is purchased, imported, consumed, distributed, or stored and which~~  
13 ~~is to be leased or rented in an arm's length transaction in the form of tangible personal~~  
14 ~~property. Beginning July 1, 2002, for purposes of the imposition of the tax levied by~~  
15 ~~any political subdivision of the state, the term "use" shall not include the purchase,~~  
16 ~~the importation, the consumption, the distribution, or the storage of any tangible~~  
17 ~~personal property which is to be leased or rented in an arm's length transaction in the~~  
18 ~~form of tangible personal property.~~

19 (iv) ~~The term "use", for purposes of sales and use taxes imposed by the state~~  
20 ~~on the use for rental automobiles which take place prior to January 1, 1991, and by~~  
21 ~~political subdivisions on such use prior to July 1, 1996, and imposed on the use for~~  
22 ~~lease or rental of tangible personal property other than automobiles which take place~~  
23 ~~prior to July 1, 1991, and for purposes of local sales and use taxes levied by political~~  
24 ~~subdivisions, except for any use for rental automobiles on or after July 1, 1996, shall~~  
25 ~~include the purchase, the importation, the consumption, the distribution, or the storage~~  
26 ~~of tangible personal property to be leased or rented in an arm's length transaction as~~  
27 ~~tangible personal property.~~

28 (b) Notwithstanding any other law to the contrary, for purposes of the  
29 imposition of the sales and use tax of any political subdivision, the use of a vehicle

1 subject to the Vehicle Registration License Tax Law (R.S. 47:451 et seq.) shall be  
2 deemed to be a "use":

3 (i) In the political subdivision of the principal residence of the purchaser if  
4 the vehicle is purchased for private use, or

5 (ii) In the political subdivision of the principal location of the business if the  
6 vehicle is purchased for commercial use, unless the vehicle purchased for commercial  
7 use is assigned, garaged, and used outside of such political subdivision, in which case  
8 the use shall be deemed a use in the political subdivision where the vehicle is  
9 assigned, garaged, and used.

10 (c) For purposes of ~~state and~~ political subdivision sales and use tax, "use"  
11 shall not include the exercise of any right or power by a free hospital over items,  
12 including but not limited to supplies and equipment, which are reasonably necessary  
13 for the operation of the free hospital.

14 (d)(i) Notwithstanding any other provision of law to the contrary, and except  
15 as provided in Item (iii) of this Subparagraph, for purposes of ~~state and~~ sales and use  
16 taxes imposed by a political subdivision ~~sales and use tax~~, "use" means and includes  
17 the exercise of any right or power over tangible personal property incident to the  
18 ownership thereof, except that it shall not include the further processing of tangible  
19 personal property into articles of tangible personal property for sale.

20 (ii) Except as provided in Item (iii) of this Subparagraph for refinery gas, for  
21 purposes of ~~state and~~ sales and use taxes imposed by a political subdivision ~~use tax~~,  
22 "use" shall not include the storage, consumption, or the exercise of any other right of  
23 ownership over tangible personal property which is created or derived as a residue or  
24 byproduct of such processing. Such residue or byproduct shall include but shall not  
25 be limited to catalyst cracker coke derived from crude oil, wood chips, bark, and  
26 liquor derived from the processing of sawlogs or pulpwood timber, or bagasse derived  
27 from sugarcane.

28 (iii) Notwithstanding any other provision of law to the contrary, and  
29 notwithstanding the provisions of this Subparagraph, "use" shall include the exercise

1 of any right of ownership over the consumption, the distribution, and the storage for  
2 use or consumption in this state of refinery gas, except the sale to another person,  
3 whether at retail or wholesale, only if the refinery gas is ultimately consumed as an  
4 energy source by the person who owns the facility in which it is created and is not  
5 sold. ~~Notwithstanding any other law to the contrary, the use of refinery gas shall be~~  
6 ~~taxed at the cost price value provided in Subparagraph (3)(f) of this Section.~~ If  
7 refinery gas, except for feedstock, is sold to another person, whether at retail, or  
8 wholesale, such sale shall be taxable and the sales price value shall be as provided for  
9 in Subparagraph (13)(d) of this Section. The provisions of this Item shall not apply  
10 to feedstocks.

11 (e) ~~For~~ Solely for purposes of ~~state and sales and use taxes imposed by~~  
12 ~~a political subdivision sales and use tax~~, "use" shall not include the purchase of or the  
13 exercise of any right or power over:

14 (i) Tangible personal property sold by approved parochial and private  
15 elementary and secondary schools which comply with the court order from the Dodd  
16 Brumfield decision and Section 501(c)(3) of the Internal Revenue Code, or students,  
17 administrators, or teachers, or other employees of the school, if the money from such  
18 sales, less reasonable and necessary expenses associated with the sale, is used solely  
19 and exclusively to support the school or its program or curricula.

20 (ii) Educational materials or equipment used for classroom instruction by  
21 approved parochial and private elementary and secondary schools which comply with  
22 the court order from the Dodd Brumfield decision and Section 501(c)(3) of the  
23 Internal Revenue Code, limited to books, workbooks, computers, computer software,  
24 films, videos, and audio tapes.

25 (f) ~~For~~ Solely for purposes of ~~state and sales and use taxes imposed by~~  
26 ~~a political subdivision sales and use tax~~, "use" shall not include the purchase of or the  
27 exercise of any right or power over tangible personal property used by Boys State of  
28 Louisiana, Inc. and Girls State of Louisiana, Inc. for their educational and public  
29 service programs for youth.

1 (g) Notwithstanding any provision of law to the contrary, for purposes of  
2 sales or use taxation by ~~the state or~~ any local political subdivision, the term "use" shall  
3 not mean or include any funeral directing services as defined in Subparagraph (10)(s)  
4 of this Section.

5 (h) For Solely for purposes of sales and use taxes ~~levied by the state or any~~  
6 imposed by a political subdivision of the state, the term "use" shall not include the  
7 exercise of any right of ownership in or the distribution of telephone directories  
8 acquired by an advertising company that is not affiliated with a provider of telephone  
9 services if the telephone directories will be distributed free of charge to the recipients  
10 of the telephone directories.

11 (i) For Solely for purposes of ~~the imposition of~~ sales and use taxes imposed  
12 ~~or levied by all taxing authorities in the state~~ by a political subdivision, in the case of  
13 the sale or any other disposition by a dealer of any cellular, PCS, or wireless  
14 telephone, any electronic accessories that are physically connected with such  
15 telephones and personal communications devices used in connection with the sale or  
16 use of mobile telecommunications services, as defined in R.S. 47:301(10)(v), the term  
17 "use" shall not include the withdrawal, use, distribution, consumption, storage,  
18 donation, or any other disposition of any such cellular, PCS, or wireless telephone,  
19 any electronic accessories that are physically connected with such telephones and  
20 personal communications devices by the dealer.

21 (j) For purposes of the imposition of sales and use taxes imposed ~~or levied by~~  
22 ~~any~~ a political subdivision of the state, in the case of the sale or any other disposition  
23 by a dealer of any cellular telephone, PCS telephone, wireless telephone, or other  
24 wireless personal communication device that is used in connection with the sale or  
25 use of mobile telecommunications services, as defined in R.S. 47:301(10)(w), or any  
26 electronic accessory that is physically connected with any such telephone or personal  
27 communications device, the term "use" shall not include the withdrawal, use,  
28 distribution, consumption, storage, donation, or any other disposition of any such  
29 telephone or electronic accessory by the dealer.

1           (k) Solely for purposes of the sales and use tax ~~levied by the state or any~~  
2           imposed by a political subdivision ~~whose boundaries are coterminous with those of~~  
3           the state, the term "use" shall not include the purchase, the use, the consumption, the  
4           distribution, the storage for use or consumption, or the exercise of any right or power  
5           over manufacturing machinery and equipment used or consumed in this state to  
6           manufacture, produce or extract unblended biodiesel.

7           (l) Solely for the purposes of sales and use taxes ~~levied by the state or any~~  
8           imposed by a political subdivision ~~whose boundaries are coterminous with those of~~  
9           the state, the term "use" shall not include the use, the consumption, the distribution,  
10          the storage for use or consumption in this state, or the exercise of any right or power  
11          over an alternative substance as that term is defined in Subparagraph (10)(z) of this  
12          Section when such alternative substance is used as a fuel by a manufacturer.  
13          "Manufacturer" means a person whose principal activity is manufacturing and who  
14          is assigned by the Louisiana Workforce Commission a North American Industrial  
15          Classification System code with the agricultural, forestry, fishing, and hunting Sector  
16          11 or the manufacturing Sectors 31-33 as they existed in 2002.

17          (m)(i) ~~For the~~ Solely for purposes of sales and use taxes imposed ~~or levied by~~  
18          ~~the state or any~~ by a political subdivision ~~of the state~~, the term "use" shall not include  
19          the purchase of or the exercise of any right or power over toys by a non-profit  
20          organization exempt from federal taxation pursuant to Section 501(c)(3) of the  
21          Internal Revenue Code if the sole purpose of the purchasing organization is to donate  
22          toys to minors and the toys are, in fact, donated.

23          (ii) The exclusion provided for in this Subparagraph shall be subject to the  
24          same conditions as are provided for in Items (10)(aa)(ii) and (iii) of this Section.

25          (n) ~~For~~ Solely for purposes of sales and use tax imposed by ~~the state or any~~  
26          a political subdivision ~~of the state~~, the term "use" shall not mean or include the  
27          purchase, importation, storage, distribution, or exportation of, or exercise of any right  
28          or power over, textbooks and course-related software by a private postsecondary  
29          academic degree-granting institution, accredited by a national or regional commission

1 that is recognized by the United States Department of Education and is licensed by  
2 the Board of Regents, which institution has its main location within this state and  
3 offers only online instruction, when all of the following apply:

4 (i) The textbooks and course-related software are physically outside of this  
5 state when purchased from a vendor outside of this state and then imported into this  
6 state.

7 (ii) The first student use of the textbooks and course-related software occurs  
8 outside of this state.

9 (iii) The textbooks and course-related software are provided to the student  
10 free of charge.

11 (o) ~~Solely for purposes of the imposition of the state sales and use tax, the~~  
12 ~~term "use" shall not include the purchase or use of any storm shutter device as defined~~  
13 ~~and provided for in Subparagraph (10)(cc) of this Section.~~

14 ~~(p) For~~ Solely for purposes of sales and use tax imposed by ~~the state or any~~  
15 ~~a political subdivision of the state~~, the term "use" shall not mean or include the  
16 purchase, importation, storage, distribution or exercise of any right or power over  
17 anthropogenic carbon dioxide used in a qualified tertiary recovery project approved  
18 by the assistant secretary of the office of conservation of the Department of Natural  
19 Resources pursuant to R.S. 47:633.4.

20 (19) "Use tax" includes the use, the consumption, the distribution, and the  
21 storage as herein defined. No use tax shall be due to or collected by:

22 (a) The state on tangible personal property used, consumed, distributed, or  
23 stored for use or consumption in the state if the sale of such property would have been  
24 exempted or excluded from sales tax at the time such property became subject to the  
25 taxing jurisdiction of the state.

26 (b) Any political subdivision on tangible personal property used, consumed,  
27 distributed, or stored for use or consumption in such political subdivision if the sale  
28 of such property would have been exempted or excluded from sales tax at the time  
29 such property became subject to the taxing jurisdiction of the political subdivision.

1           (20) "Drugs" includes all pharmaceuticals and medical devices which are  
2       prescribed for use in the treatment of any medical disease.

3           (21) "Free hospital" means a hospital that does not charge any patients for  
4       health care provided by the hospital.

5           (22) The term "computer software" means a set of statements, data, or  
6       instructions to be used directly or indirectly in a computer in order to bring about a  
7       certain result in any form in which those statements, data, or instructions may be  
8       embodied, transmitted, or fixed, by any method now known or hereafter developed,  
9       regardless of whether the statements, data, or instructions are capable of being  
10      perceived by or communicated to humans. Computer software includes all types of  
11      software including operational, applicational, utilities, compilers, and all other forms.

12          (23)(a) The term "custom computer software" means computer software  
13      prepared, created, adapted, or modified to the special order of a particular purchaser,  
14      licensee, or user; or to meet the specific needs or requirements of a particular  
15      purchaser, licensee, or user, regardless of the means by or through which such  
16      computer software is furnished, delivered, or transmitted, and regardless of whether  
17      such software incorporates or consists of preexisting routines, utilities, or other  
18      computer software components.

19          (b) In order to be considered "custom computer software", the computer  
20      software must require preparation, creation, adaption, or modification by the vendor  
21      in order to be used in a specific work environment or to perform a specific function  
22      for the user.

23          (c) Updates, upgrades, and new versions of custom computer software shall  
24      be considered custom computer software, provided such upgrades, updates, and new  
25      versions meet the definition of custom computer software contained in this Chapter.

26          (24) The term "news publication" shall mean any printed periodical that:

27              (a) Appears at regular intervals.

28              (b) Contains reports of a varied character, such as political, social, cultural,  
29      sports, moral, religious, or other subjects of general public interest.

1 (c) Contains not more than seventy-five percent advertising.

2 (d) Is not owned or published as an auxiliary to another nonpublishing  
3 business, organization, or entity.

4 (25) "Taxing authority" shall mean and include both the state and a statewide  
5 political subdivision and any political subdivision ~~of the state~~ authorized under the  
6 Constitution or laws of the state of Louisiana to levy and collect a sales and use tax,  
7 unless the context indicates otherwise. For purposes of the Uniform Local Sales Tax  
8 Code provided for in Chapter 2D of this Subtitle, "taxing authority" shall mean any  
9 political subdivision ~~of the state~~ authorized under the Constitution or laws of the state  
10 of Louisiana to levy and collect a sales and use tax, except a statewide political  
11 subdivision.

12 (26) "Taxing jurisdiction" shall mean the area within the physical boundaries  
13 of the taxing authority.

14 (27) "Tax", "sales and use tax", and "sales tax" shall mean the sales and use  
15 tax imposed by the state pursuant to the provisions of this Chapter and Chapter 2-A  
16 and 2-B of this Subtitle and the tax imposed by political subdivisions under the  
17 constitution or laws of this state authorizing the imposition of a sales and use tax.

18 ~~(28)(a) For purposes of the imposition of the lease or rental tax levied by the~~  
19 ~~state and any political subdivision whose boundaries are coterminous with those of~~  
20 ~~the state, the "gross proceeds", "monthly lease or rental price paid", and "monthly~~  
21 ~~lease or rental price contracted or agreed to be paid" for machinery and equipment~~  
22 ~~used by a manufacturer in a plant facility predominately and directly in the actual~~  
23 ~~manufacturing for agricultural purposes or the actual manufacturing process of an~~  
24 ~~item of tangible personal property, including, but not limited to rubber tired farm~~  
25 ~~tractors, cane harvesters, cane loaders, cotton pickers, combines, haybalers,~~  
26 ~~attachments and sprayers, clippers, cultivators, discs, plows, and spreaders, which is~~  
27 ~~for ultimate sale to another and not for internal use, at one or more fixed locations~~  
28 ~~within Louisiana shall be reduced as follows:~~

29 ~~(i) For the period ending on June 30, 2005, by five percent.~~

(ii) ~~For the period beginning July 1, 2005, and ending on June 30, 2006, by  
nineteen percent.~~

(iii) ~~For the period beginning July 1, 2006, and ending on June 30, 2007, by  
thirty-five percent.~~

(iv) ~~For the period beginning July 1, 2007, and ending on June 30, 2008, by  
fifty-four percent.~~

(v) ~~For the period beginning July 1, 2008, and ending on June 30, 2009, by  
sixty-eight percent.~~

(vi) ~~For all periods beginning on or after July 1, 2009, the sales price shall  
be reduced by one hundred percent.~~

(b) ~~For purposes of this Paragraph, "machinery and equipment",  
"manufacturer", "manufacturing", "manufacturing for agricultural purposes", "plant  
facility", and "used directly" shall have the same meaning as defined in R.S.  
47:301(3)(i)(ii).~~

(c) ~~No person shall be entitled to purchase, use, lease, or rent machinery or  
equipment as defined herein without payment of the tax imposed by R.S. 47:302, 321,  
and 331 before receiving a certificate of exclusion from the secretary of the  
Department of Revenue certifying that he is a manufacturer as defined herein.~~

(d) ~~The secretary of the Department of Revenue is hereby authorized to adopt  
rules and regulations in order to administer the exclusion provided for in this  
Subparagraph.~~

(e) ~~The manufacturer's exemption certificate granted by the Department of  
Revenue shall serve as a substitute for the sales tax exemption for certain farm  
equipment.~~

~~(29)~~ (28) With respect to the furnishing of telecommunications and ancillary  
services, as used in this Chapter the following words, terms, and phrases have the  
meaning ascribed to them in this Paragraph, unless the context clearly indicates a  
different meaning:

1 (a) "Air-to-Ground Radiotelephone service" means a radio service, as that  
2 term is defined in 47 C.F.R. 22.99, in which common carriers are authorized to offer  
3 and provide radio telecommunications service for hire to subscribers in aircraft.

4 (b) "Ancillary service" means a service that is associated with or incidental  
5 to the provision of one or more telecommunications services, including but not  
6 limited to conference bridging services, detailed telecommunications billing services,  
7 directory assistance services, vertical services, and voice mail services.

8 (c) "Call-by-call basis" means any method of charging for  
9 telecommunications services where the price is measured by individual calls.

10 (d) "Call center" means one or more locations that utilize telecommunications  
11 services in one or more of the following activities: customer services, soliciting sales,  
12 reactivating dormant accounts, conducting surveys or research, fundraising, collection  
13 of receivables, receiving reservations, receiving orders, or taking orders.

14 (e) "Communications channel" means a physical or virtual path of  
15 communications over which signals are transmitted between or among customer  
16 channel termination points.

17 (f) "Conference bridging service" means a service that links two or more  
18 participants of an audio or video conference call and may include the provision of a  
19 telephone number. "Conference bridging service" does not include any  
20 telecommunications services used to reach the conference bridge.

21 (g) "Customer" means the person or entity that contracts with the seller of  
22 telecommunications services. If the end user of the telecommunications service is not  
23 the contracting party, the end user of the telecommunications service is the customer  
24 of the telecommunications service, but only for the purpose of sourcing sales of  
25 telecommunications services under R.S. 47:301.1(A). "Customer" does not include  
26 a reseller of telecommunications service or for mobile telecommunications service of  
27 a serving carrier under an agreement to serve the customer outside the home service  
28 provider's licensed service area.

1 (h) "Customer channel termination point" means, in the context of a private  
2 communications service, the location where the customer either inputs or receives  
3 communications.

4 (i) "Detailed telecommunications billing service" means a service of  
5 separately stating information pertaining to individual calls on a customer's billing  
6 statement.

7 (j) "Directory assistance" means a service of providing telephone number or  
8 address information, or both.

9 (k) "End user" means the person who utilizes the telecommunications service.  
10 In the case of an entity, "end user" means the individual who utilizes the service on  
11 behalf of the entity.

12 (l) "Home service provider" has the same meaning given to such term in  
13 Section 124(5) of the Mobile Telecommunications Sourcing Act, P.L. 106-252, 4  
14 U.S.C. 124(5).

15 (m) "International telecommunications service" means a telecommunications  
16 service that originates or terminates in the United States and terminates or originates  
17 outside the United States, respectively. The United States includes each of the fifty  
18 United States, the District of Columbia, and each United States territory, or  
19 possession.

20 (n) "Interstate telecommunications service" means a telecommunications  
21 service that originates in one U.S. state, territory, or possession, and terminates in a  
22 different U.S. state, territory, or possession.

23 (o) "Intrastate telecommunications service" means a telecommunications  
24 service that originates in one U.S. state, territory or possession, and terminates in the  
25 same U.S. state, territory, or possession.

26 (p) "Mobile telecommunications service" has the same meaning given to such  
27 term in Section 124(7) of the Mobile Telecommunications Sourcing Act, P.L. 106-  
28 252, 4 U.S.C. 124(7).

1           (q) "Mobile wireless service" means a telecommunications service, regardless  
2           of the technology used, whereby the origination or termination points, or both, of the  
3           transmission, conveyance or routing are not fixed, including but not limited to  
4           telecommunications services that are provided by a commercial mobile radio service  
5           provider.

6           (r) "Place of primary use" means the street address representative of where  
7           the customer's use of the telecommunications service primarily occurs, which must  
8           be the residential street address or the primary business street address of the customer.  
9           In the case of mobile telecommunications services, the place of primary use must be  
10          within the licensed service area of the home service provider.

11          (s) "Postpaid calling service" means a telecommunications service obtained  
12          by making a payment on a call-by-call basis either through the use of a credit card or  
13          payment mechanism such as a bank card, travel card, credit card, or debit card, or by  
14          charge made to a telephone number which is not associated with the origination or  
15          termination of the telecommunications service. A postpaid calling service includes  
16          a telecommunications service, except a prepaid wireless calling service, that would  
17          be a prepaid calling service, except that the right provided is not exclusively to access  
18          telecommunications services.

19          (t) "Prepaid calling service" means the right to access exclusively  
20          telecommunications services, which must be paid for in advance and which enables  
21          the origination of calls using an access number or authorization code, whether  
22          manually or electronically dialed, and that is sold in predetermined units or dollars of  
23          which the number declines with use in a known amount.

24          (u) "Prepaid wireless calling service" means a telecommunications service  
25          that provides the right to utilize mobile wireless service as well as non-  
26          telecommunications services, including the download of digital products delivered  
27          electronically, content, and ancillary services, which must be paid for in advance and  
28          which is sold in predetermined units or dollars of which the number declines with use  
29          in a known amount.

1 (v) "Private communication service" means a telecommunications service that  
2 entitles the customer to exclusive or priority use of a communications channel or  
3 group of channels between or among termination points, regardless of the manner in  
4 which such channel or channels are connected, and includes switching capacity,  
5 extension lines, stations, and any other associated services that are provided in  
6 connection with the use of such channel or channels.

7 (w) "Service address" means:

8 (i) The location of the telecommunications equipment to which a customer's  
9 call is charged and from which the call originates or terminates, regardless of where  
10 the call is billed or paid.

11 (ii) If the location in Item (i) of this Subparagraph is not known, "service  
12 address" means the origination point of the signal of the telecommunications service  
13 first identified by either the seller's telecommunications system or, in information  
14 received by the seller from its service provider, where the system used to transport  
15 such signals is not that of the seller.

16 (iii) If the location in both Items (i) and (ii) of this Subparagraph are not  
17 known, "service address" means the location of the customer's place of primary use.

18 (x) "Telecommunications service" means the electronic transmission,  
19 conveyance, or routing of voice, data, audio, video, or any other information or  
20 signals to a point, or between or among points. "Telecommunications service"  
21 includes such transmission, conveyance, or routing in which computer processing  
22 applications are used to act on the form, code, or protocol of the content for purposes  
23 of transmission, conveyance, or routing without regard to whether such service is  
24 referred to as voice over Internet protocol service or is classified by the Federal  
25 Communications Commission as an enhanced or value-added service.  
26 "Telecommunications service" does not include any of the following:

27 (i) Data processing or information services which allow data to be generated,  
28 acquired, stored, processed, or retrieved and delivered by an electronic transmission

to a purchaser where such purchaser's primary purpose for the underlying transaction is the processed data or information.

(ii) Installation or maintenance of wiring or equipment on a customer's premises.

(iii) Tangible personal property.

(iv) Advertising, including but not limited to directory advertising.

(v) Billing and collection services provided to third parties.

(vi) Internet access service.

(vii) Radio and television audio and video programming services, regardless of the medium, including the furnishing of transmission, conveyance, and routing of such services by the programming service provider. Radio and television audio and video programming services shall include but not be limited to cable service as defined in 47 U.S.C. 522(6) and audio and video programming services delivered by commercial mobile radio service providers, as defined in 47 C.F.R. 20.3.

(viii) Ancillary services.

(ix) Digital products delivered electronically, including but not limited to software, music, video, reading materials, or ring tones.

(x) Prepaid calling service and prepaid wireless calling service.

(y) "Vertical service" means a service that is offered in connection with one or more telecommunications services which offers advanced calling features that allow customers to identify callers and to manage multiple calls and call connections.

(z) "Voice mail service" means a service that enables the customer to store, send, or receive recorded messages services. The term "voice mail service" does not include any telecommunications or vertical services that the customer may be required to have in order to utilize the voice mail service.

#### §301.1. Telecommunications and ancillary services

A. The sales and use tax levied by this Chapter shall apply to the sales price of telecommunications services in accordance with the following sourcing rules:

\* \* \*

1           B.(1) The sales price of telecommunications services shall include, whether  
2 or not separately stated, charges for any of the following:

3           (a) The connection, movement, change, or termination of telecommunications  
4 services.

5           (b) Conference bridging services and vertical services if the customer's place  
6 of primary use is located in this state.

7           (2) The sales price of telecommunications services shall not include charges  
8 for any of the following:

9           (a) The furnishing of any telecommunications service for resale, including  
10 access and other interconnection charges paid by providers of telecommunications  
11 services and charges for the use of intercompany facilities pursuant to shared network  
12 facility arrangements, provided that any dealer making a sale of telecommunications  
13 services for resale shall obtain a certificate from the purchaser of such services  
14 certifying that such services are purchased for the purpose of resale, the form of the  
15 certification to be determined by rules and regulations to be promulgated by the  
16 secretary.

17           ~~(b) Ancillary services, except those specified in Paragraph (1) of this~~  
18 ~~Subsection, if the nontaxable ancillary service charges are stated separately from the~~  
19 ~~charges for telecommunications services.~~

20           ~~(c)~~ Any excise, franchise, or similar tax or like fee or assessment levied by  
21 the United States, by the state of Louisiana, or by any political subdivision as defined  
22 in Article VI, Section 44(2) of the Constitution of Louisiana, upon the purchase, sale,  
23 use, or consumption of any telecommunications service, which tax, fee, or assessment  
24 is collected by the seller from the purchaser.

25           ~~(d) Telecommunications services paid for by inserting coins in coin-operated~~  
26 ~~telephones available to the public.~~

27           ~~(e)~~ (b) Telecommunications services or transactions defined in this Paragraph  
28 among entities classified as members of an affiliated group as provided by 26 U.S.C.

1504, provided, however, that these provisions shall not apply to any sale of tangible personal property.

~~(f)~~ (c) Any other property or services that are not telecommunications services if stated separately from the charges for telecommunications services.

\* \* \*

~~D.(1) Notwithstanding any provision of law to the contrary, with respect to sales of interstate telecommunications services to any person for use in the operation of one or more call centers, the tax imposed by this Chapter shall not exceed twenty-five thousand dollars per calendar year.~~

~~(2) The limitation set forth in this Subsection shall apply only to holders of a direct payment number issued by the department pursuant to R.S. 47:303.1. In order to obtain such direct payment number, the applicant must establish that he satisfies the criteria set forth in this Subsection. The provisions of R.S. 47:303.1(B) shall not apply to any application for a direct payment number under this Subsection.~~

~~(3) The department shall not issue any refunds of taxes paid prior to receiving a direct payment number.~~

~~(4) All entities wholly owned by the same person or entity shall be considered a single person.~~

E. D. To prevent actual multistate taxation of an interstate telecommunications service subject to the tax imposed by this Chapter, any taxpayer, upon proof that such taxpayer has paid a tax in another state on such service, shall be allowed a credit against the tax imposed by this Chapter to the extent of the amount of such tax paid in such other state.

\* \* \*

## §302. Imposition of tax

A. There is hereby levied a tax upon the sale at retail, the use, the consumption, the distribution, and the storage for use or consumption in this state, of each item or article of tangible personal property, as defined herein, the levy of said tax to be as follows:

(1) At the rate of ~~two per centum (2%)~~ one percent (1%) of the sales price of each item or article of tangible personal property when sold at retail in this state; the tax to be computed on gross sales for the purpose of remitting the amount of tax due the state, and to include each and every retail sale.

(2) At the rate of ~~two per centum (2%)~~ one percent (1%) of the cost price of each item or article of tangible personal property when the same is not sold but is used, consumed, distributed, or stored for use or consumption in this state; provided there shall be no duplication of the tax.

B. There is hereby levied a tax upon the lease or rental within this state of each item or article of tangible personal property, as defined herein; the levy of said tax to be as follows:

(1) At the rate of ~~two per centum (2%)~~ one percent (1%) of the gross proceeds derived from the lease or rental of tangible personal property, as defined herein, where the lease or rental of such property is an established business, or part of an established business, or the same is incidental or germane to the said business.

(2) At the rate of ~~two per centum (2%)~~ one percent (1%) of the monthly lease or rental price paid by lessee or rentee, or contracted or agreed to be paid by lessee or rentee to the owner of the tangible personal property.

C.(1) There is hereby levied a tax upon all sales of services, as herein defined, in this state, at the rate of ~~two~~ one percent of the amounts paid or charged for such services.

\* \* \*

D. Notwithstanding any other provision of law to the contrary, solely for purposes of sales and use taxes imposed by a political subdivision, no sales or use tax of any taxing authority shall be levied on any advertising service rendered by an advertising business, including but not limited to advertising agencies, design firms, and print and broadcast media, or any member, agent, or employee thereof, to any client whether or not such service also involves a transfer to the client of tangible personal property. However, a transfer of mass-produced advertising items by an

advertising business which manufactures the items itself to a client for the client's use, which transfer involves the furnishing of minimal services other than manufacturing services by the advertising business shall be a taxable sale or use of tangible personal property; provided that in no event shall tax be levied on charges for creative services which are separately invoiced.

\* \* \*

§321. Imposition of tax

A. In addition to the tax levied by R.S. 47:302(A) and 331(A) and collected under the provisions of Chapter 2 of Subtitle II of this Title, there is hereby levied an additional tax upon the sale at retail, the use, the consumption, the distribution, and the storage for use or consumption in this state of each item or article of tangible personal property, as defined in Chapter 2 of Subtitle II of this Title. The levy of said tax shall be as follows:

(1) At the rate of eighty-eight one hundredths of one percent of the sales price of each item or article of tangible personal property when sold at retail in this state except for prepaid calling service and prepaid wireless calling service, the tax to be computed on gross sales for the purpose of remitting the amount of tax to the state, and to include each and every retail sale.

(2) At the rate of eighty-eight one hundredths of one percent of the cost price of each item or article of tangible personal property except for prepaid calling service and prepaid wireless calling service when the same is not sold but is used, consumed, distributed, or stored for use or consumption in this state, provided that there shall be no duplication of the tax.

B. In addition to the tax levied by R.S. 47:302(B) and 331(B) and collected under the provisions of Chapter 2 of Subtitle II of Title 47 of the Louisiana Revised Statutes of 1950, there is hereby levied a tax upon the lease or rental within this state of each item or article of tangible personal property, as defined by said Chapter 2 of Subtitle II of Title 47 of the Louisiana Revised Statutes of 1950; the levy of said tax to be as follows:

(1) At the rate of eighty-eight one hundredths of one percent of the gross proceeds derived from the lease or rental of tangible personal property, as defined in Chapter 2 of Subtitle II of Title 47 of the Louisiana Revised Statutes of 1950, where the lease or rental of such property is in an established business, or part of an established business, or the same is incidental or germane to the business.

(2) At the rate of eighty-eight one hundredths of one percent of the monthly lease or rental price paid by a lessee or rentee, or contracted or agreed to be paid by a lessee or rentee to the owner of the tangible personal property.

C. In addition to the tax levied on sales of services by R.S. 47:302(C) and 331(C) and collected under the provisions of Chapter 2 of Subtitle II of this Title, there is hereby levied a tax upon all sales of services, as defined by said Chapter 2 of Subtitle II of this Title, in this state, at the rate of eighty-eight one hundredths of one percent of the amounts paid or charged for such services; however, the tax levied by this Section shall not apply to the furnishing of telecommunications services for compensation as provided in R.S. 47:301(14)(i).

\* \* \*

#### §302.1. Exemptions from lease or rental tax, helicopters

A. Whenever a helicopter used in the exploration for or the extraction or production of oil, gas, and other minerals or for providing services to those engaged in such extraction, production, or exploration is acquired or used through a transaction entitled lease, rental, lease-purchase, or any similar name which for purposes other than sales taxation might be considered a conditional sale contract or a transaction in lieu of sale, such acquisition or use shall be deemed to be a sale for ~~state and~~ local sales tax purposes.

\* \* \*

#### §305. Exclusions and exemptions from the tax

A.(1) The gross proceeds derived from the sale in this state of livestock, poultry, and other farm products direct from the farm are exempted from the tax levied by local taxing authorities, provided that such sales are made directly by the

1 producers. When sales of livestock, poultry, and other farm products are made to  
2 consumers by any person other than the producer, they are not exempted from the tax  
3 imposed by taxing authorities.

4 \* \* \*

5 (3) Every agricultural commodity sold by any person, other than a producer,  
6 to any other person who purchases not for direct consumption but for the purpose of  
7 acquiring raw product for use or for sale in the process of preparing, finishing, or  
8 manufacturing such agricultural commodity for the ultimate retail consumer trade,  
9 shall be exempted from any and all provisions of the sales and use tax imposed by a  
10 local taxing authority, including payment of the tax applicable to the sale, storage,  
11 use, transfer, or any other utilization of or handling thereof, except when such  
12 agricultural commodity is actually sold as a marketable or finished product to the  
13 ultimate consumer, and in no case shall more than one tax be exacted. For the  
14 purposes of this Section, "agricultural commodity" means horticultural, viticultural,  
15 poultry, farm and range products, and livestock and livestock products.

16 (4)(a) The purchase of feed and feed additives for the purpose of sustaining  
17 animals which are held primarily for commercial, business, or agricultural use shall  
18 be exempted from the taxes levied by local taxing authorities.

19 (b) For purposes of this Subsection:

20 (i) "Commercial use" means the purchasing, producing, or maintaining of  
21 animals, including breeding stock, for resale;

22 (ii) "Business use" means the keeping and maintaining of animals which are  
23 used in performing services in conjunction with a business enterprise, such as sentry  
24 dogs and rental horses;

25 (iii) "Agricultural use" means the maintaining of work animals and beasts of  
26 burden which are utilized in the activity of producing crops or animals for market, in  
27 the production of food for human consumption, in the production of animal hides or  
28 other animal products for market, or in the maintaining of breeding stock for the  
29 propagation of such agricultural use animals.

1 (c) This exemption shall not apply to the purchase of feed or feed additives  
2 for animals kept primarily for personal, sporting, or other purposes, including but not  
3 limited to purchases for pets of any kind or hunting dogs.

4 \* \* \*

5 D.(1) The sale at retail, the use, the consumption, the distribution, and the  
6 storage to be used or consumed in the taxing jurisdiction of the following tangible  
7 personal property is hereby specifically exempted from the tax imposed by  
8 local taxing authorities, except as otherwise provided in this Paragraph:

9 \* \* \*

10 I. The sales and use taxes imposed by ~~the state of Louisiana or any of its~~ any  
11 political subdivisions shall not apply to the labor, or sale of materials, services, and  
12 supplies, used for repairing, renovating or converting of any drilling rig, or machinery  
13 and equipment which are component parts thereof, which is used exclusively for the  
14 exploration or development of minerals outside the territorial limits of the state in  
15 Outer Continental Shelf waters. For the purposes of this Subsection, "drilling rig"  
16 means any unit or structure, along with its component parts, which is used primarily  
17 for drilling, workover, intervention or remediation of wells used for exploration or  
18 development of minerals. For purposes of this Subsection, "component parts" means  
19 any machinery or equipment necessary for a drilling rig to perform its exclusive  
20 function of exploration or development of minerals.

21 §305.1. Exclusions and exemptions; ships and ships' supplies

22 A. The tax imposed by local taxing authorities shall not apply to sales of  
23 materials, equipment, and machinery which enter into and become component parts  
24 of ships, vessels, or barges, including commercial fishing vessels, drilling ships, or  
25 drilling barges, of fifty tons load displacement and over, built in Louisiana nor to the  
26 gross proceeds from the sale of such ships, vessels, or barges when sold by the builder  
27 thereof.

28 B. The taxes imposed by local taxing authorities shall not apply to materials  
29 and supplies purchased by the owners or operators of ships, barges, or vessels,

1 including drilling ships, operating exclusively in foreign or interstate coastwise  
2 commerce, where such materials and supplies are loaded upon any such ship, barge,  
3 or vessel for use or consumption in the maintenance and operation thereof; nor to  
4 repair services performed upon such ships, barges, or vessels operating exclusively  
5 in foreign or interstate coastwise commerce; nor to the materials and supplies used in  
6 such repairs where such materials and supplies enter into and become a component  
7 part of such ships, barges, or vessels; nor to laundry services performed for the  
8 owners or operators of such ships, barges, or vessels operating exclusively in foreign  
9 or interstate coastwise commerce, where the laundered articles are to be used in the  
10 course of the operation of such ships, barges, or vessels.

11 \* \* \*

12 D. The exemption from the state sales tax provided in this Section shall be  
13 applicable to any sales tax levied by a local governmental subdivision or school  
14 board.

15 \* \* \*

16 §305.3. Exclusions and exemptions; seeds used in planting of crops

17 The tax imposed by local taxing authorities shall not apply to the sale at retail  
18 of seeds for use in the planting of any kind of crops. The secretary shall promulgate  
19 rules and regulations designed to carry out the provisions of this Section, and any  
20 transaction not strictly in compliance with such rules and regulations shall lose the  
21 exemption herein provided.

22 §305.6. Exclusions and exemptions; Little Theater tickets

23 The sales tax imposed by local taxing authorities shall not apply to the sale of  
24 admission tickets by Little Theater organizations.

25 §305.7. Exclusions and exemptions; tickets to musical performances of nonprofit  
26 musical organizations

27 The sales tax imposed by local taxing authorities shall not apply to the sale of  
28 admission tickets by domestic nonprofit corporations or by any other domestic  
29 nonprofit organization known as a symphony organization or as a society or

1 organization engaged in the presentation of musical performances; provided that this  
2 Section shall not apply to performances given by out-of-state or nonresident  
3 symphony companies, nor shall this Section apply to any performance intended to  
4 yield a profit to the promoters thereof.

5 \* \* \*

6 §305.9. Exclusions and exemptions; motion picture film rental

7 The sales and use taxes imposed by ~~the State of Louisiana or any such taxes~~  
8 ~~imposed by~~ any parish or municipality within the state shall not apply to the amount  
9 paid by the operator of a motion picture theatre to a distributing agency for use of  
10 films of photoplay.

11 \* \* \*

12 §305.13. Exclusions and exemptions; admissions to entertainments furnished by  
13 certain domestic nonprofit corporations

14 The sales tax imposed by local taxing authorities shall not apply to the sale of  
15 admissions to entertainment events furnished by recognized domestic nonprofit  
16 charitable, educational and religious organizations when the entire proceeds from  
17 such sales, except for necessary expenses connected with the entertainment events,  
18 are used for the purposes for which the organizations furnishing the events were  
19 organized.

20 §305.14. Exclusions and exemptions; nonprofit organizations; nature of exemption;  
21 limitations; qualifications; newspapers; determination of tax exempt status

22 A.(1)(a) The sales and use taxes imposed by local taxing authorities shall not  
23 apply to sales of tangible personal property at, or admission charges for, outside gate  
24 admissions to, or parking fees associated with, events sponsored by domestic, civic,  
25 educational, historical, charitable, fraternal, or religious organizations, which are  
26 nonprofit, when the entire proceeds, except for necessary expenses such as fees paid  
27 for guest speakers, chair and table rentals, and food and beverage utility related items  
28 connected therewith, are used for educational, charitable, religious, or historical  
29 restoration purposes, including the furtherance of the civic, educational, historical,

1 charitable, fraternal, or religious purpose of the organization. In addition, newspapers  
2 published in this state by religious organizations shall also be exempt from such taxes,  
3 provided that the price paid for the newspaper or a subscription to the newspaper does  
4 not exceed the cost to publish such newspaper.

5 \* \* \*

6 (5) Notwithstanding any other provision of law to the contrary, for purposes  
7 ~~of state and~~ political subdivision sales and use tax, "sales and use" shall not mean the  
8 purchase of tangible personal property or taxable services, by nonprofit literacy  
9 organizations in compliance with the court order from the Dodd Brumfield decision  
10 and Section 501(c)(3) of the Internal Revenue Code, limited to books, workbooks,  
11 computers, computer software, films, videos, and audio tapes.

12 \* \* \*

13 §305.16. Exclusions and exemptions; cable television installation and repair

14 The sales and use taxes imposed ~~by the state or~~ by any political subdivision  
15 ~~thereof~~ shall not apply to necessary fees incurred in connection with the installation  
16 and service of cable television. Such exemption shall not apply to purchases made  
17 by any cable television system, but shall only apply to funds collected from the  
18 subscriber for regular service, installation and repairs.

19 §305.17. Exclusions and exemptions; income from coin-operated washing and drying  
20 machines in a commercial laundromat

21 ~~State sales taxes imposed by R.S. 47:302 and R.S. 47:321, as well as any sales~~  
22 Sales taxes imposed by any parish, municipality, school board, or other political  
23 subdivision, within the state, shall not apply to or be imposed upon the income on  
24 receipts from any coin-operated washing or drying machine in a commercial  
25 laundromat. A commercial laundromat, for purposes of this Section, is defined to be  
26 any establishment engaged solely in the business of furnishing washing or drying  
27 laundry services by means of coin-operated machines.

28 \* \* \*

§305.19. Exclusions and exemptions; leased vessels used in the production of minerals

The taxes imposed by local taxing authorities shall not apply to those vessels which are leased for use offshore beyond the territorial limits of this state for the production of oil, gas, sulphur, and other minerals or for the providing of services to those engaged in such production.

§305.20. Exclusions and exemptions; Louisiana commercial fishermen

A. A Louisiana resident, domiciled in Louisiana, who possesses such valid Louisiana commercial fishing license(s) as may be necessary for commercial fishing ventures, including but not limited to a vessel license issued pursuant to R.S. 56:304, and who is an owner of a vessel operated primarily for the conduct of commercial fishing as a trade or business and which the Louisiana Department of Wildlife and Fisheries determines will be predominantly and principally used for commercial fishing ventures and whose catch is for human consumption shall be exempt from ~~state~~ local sales, use, lease, and services taxes as set forth in Subsection C of this Section. Possession of a commercial fishing license issued by the Department of Wildlife and Fisheries shall not be used as the sole determination that a vessel will be used predominantly and principally for commercial fishing ventures. This exemption shall also apply to facilities which process the catch from owners of commercial fishing vessels for which this exemption is granted when such vessels are owned by, or leased or contracted exclusively to, the seafood processing facility.

\* \* \*

§305.25. Exclusions and exemptions; farm equipment

A. The tax imposed by ~~R.S. 47:302(A), 321(A), and 331(A)~~ a political subdivision with respect to the sale and use of farm equipment shall apply only to that portion of the sale price in excess of fifty thousand dollars for each item of farm equipment if the voters of the parish have elected to provide the exemption. The purchaser or his representative shall provide on any exemption certificate required for this exemption a certification that the purchaser is a farmer or is purchasing for an

1 agricultural facility. The ~~department~~ collector shall hold the purchaser responsible  
2 for any taxes due. For the purpose of this Section, "farm equipment" includes the  
3 following:

4 (1) Rubber tired farm tractors, cane harvesters, cane loaders, cotton pickers,  
5 combines, haybalers, and attachments and sprayers.

6 (2) Clippers, cultivators, discs, plows, and spreaders.

7 (3) Irrigation wells, drives, motors, and equipment.

8 (4) Other farm implements and equipment used for agricultural purposes in  
9 the production of food and fiber.

10 (5) On the farm facilities used to dry or store grain or any materials used to  
11 construct such on the farm facilities.

12 B. ~~This exemption applies only to sales and use taxes imposed by the state of~~  
13 ~~Louisiana and does not apply to such taxes authorized and levied by any school board,~~  
14 ~~municipality, or other local taxing authority, except that in the parish of West Carroll,~~  
15 ~~the parish school board may exempt the equipment as provided in this Section from~~  
16 ~~additional sales and use taxes after approval by a majority of the qualified electors of~~  
17 ~~the~~ The governing authority of a parish and the police jury may exempt the equipment  
18 as provided in this Section from all sales and use taxes which it is presently levying  
19 and collecting and shall exempt such equipment from any additional sales and use tax  
20 or taxes which it may hereafter levy and collect.

21 \* \* \*

22 §305.41. Exclusions and exemptions; Ducks Unlimited; Bass Life

23 The sales and use tax imposed by ~~the state of Louisiana or any of its local~~  
24 ~~governmental~~ any political subdivisions or school boards shall not apply to either the  
25 sales of Ducks Unlimited or Bass Life or any of their chapters or any rental or  
26 purchase of property or services by Ducks Unlimited or Bass Life or any of their  
27 chapters.

28 \* \* \*

1 §305.44. Exclusions and exemptions; raw materials used in printing process

2 A. The sales and use taxes imposed ~~by the state under R.S. 47:302, R.S.~~  
3 ~~47:321, and R.S. 47:331~~ and by any political subdivision shall not apply to purchases  
4 and sales of the following, including all chemical supplies necessary to produce such  
5 items whether manufactured by a printer or purchased from a subcontractor:

6 \* \* \*

7 §305.45. Exclusions and exemptions; per diem or car hire on freight cars, piggy-back  
8 cars, and rolling stock

9 A. The sales, use, and lease tax imposed by ~~the state of Louisiana~~ a political  
10 subdivision under the provisions of R.S. 47:302(A) and (B), R.S. 47:321(A) and (B)  
11 and R.S. 47:331 shall not apply to:

12 \* \* \*

13 §305.46. Exclusions and exemptions; purchases with United States Department of  
14 Agriculture Food Stamp Coupons and purchases made under the Women,  
15 Infants, and Children's Program

16 A. The sales and use taxes imposed by ~~the state of Louisiana~~ or any political  
17 subdivision shall not apply to the purchase of the following items:

18 \* \* \*

19 §305.49. Catalog distribution; exemption

20 Notwithstanding any provision of law to the contrary, no sales or use tax shall  
21 be imposed by ~~the state~~ or any political subdivision on the value of catalogs  
22 distributed, or intended for distribution in the state, without charge to the recipient.

23 §305.50. Exemption; vehicles used in interstate commerce; rail rolling stock; railroad  
24 ties

25 A.(1) The sales and use tax imposed by ~~the state of Louisiana~~ or any of its  
26 local political subdivisions shall not apply to trucks with a gross weight of twenty-six  
27 thousand pounds or more and to trailers if such trucks and trailers are used at least  
28 eighty percent of the time in interstate commerce and whose activities are subject to  
29 the jurisdiction of the United States Department of Transportation. The determination

1 of whether a truck is used at least eighty percent of the time in interstate commerce  
2 shall be based solely on the actual mileage of such truck; however, no truck shall have  
3 more than twenty percent Louisiana intrastate miles.

4 \* \* \*

5 §305.51. Exemption; utilities used by steelworks and blast furnaces

6 A. The sales and use tax imposed by ~~the state of Louisiana or any of its~~  
7 political subdivisions shall not apply to sales or purchases of utilities used by  
8 steelworks, blast furnaces, coke ovens, or rolling mills with more than one hundred  
9 twenty-five full-time employees, which are classified by the Louisiana Workforce  
10 Commission within Sector 331111 of the North American Industry Classification  
11 System as it existed in 2002. However, this exemption shall not apply to utilities used  
12 in and around the production of coke in oil refineries and the use of coke in oil  
13 refineries and other chemical processes.

14 \* \* \*

15 §305.53. Exclusions and exemptions; sickle cell disease organizations

16 A. The sale at retail, the rental or lease, the use, the consumption, the  
17 distribution, and the storage for use or consumption in this state of each item or article  
18 of tangible personal property, or any taxable service, by a nonprofit organization  
19 established prior to 1975 which conducts a comprehensive program on sickle cell  
20 disease which includes but is not limited to free education, free testing, free  
21 counseling, and free prescriptions, transportation, and food packages for sickle cell  
22 patients shall not be subject to the sales and use taxes levied by ~~the state or by any~~  
23 other local tax authority.

24 \* \* \*

25 §305.57. Exemptions; sale of art work

26 A. The sales and use taxes imposed by ~~the state of Louisiana or any of its~~  
27 political subdivisions shall not apply to the sale of original, one-of-a-kind works of  
28 art from an established location within the boundaries of a cultural product district.

29 \* \* \*

1       §305.61. Exemption; certain water conservation equipment; Sparta Groundwater  
2                   Conservation District

3           A. The sales and use tax imposed by all local tax authorities in the state shall  
4       not apply to sales of water conservation equipment for use within the Sparta  
5       Groundwater Conservation District. Only persons defined as "users" under R.S.  
6       38:3087.133(7) shall be eligible for this exemption.

7                               \*       \*       \*

8       §305.65. Exemption; charitable residential construction, rehabilitation, and  
9                   renovation; limitation

10       A. The sales and use tax imposed by ~~the state of Louisiana and all of its~~ local  
11       tax authorities shall not apply to the sale of construction materials to Hands on New  
12       Orleans and Rebuilding Together New Orleans covenant partners located in this state  
13       when such materials are intended for use in either constructing, rehabilitating, or  
14       renovating residential dwellings in this state which were destroyed or damaged by  
15       Hurricane Katrina or Hurricane Rita.

16                               \*       \*       \*

17       §305.69. Exemption; motor vehicles for use by persons with orthopedic disabilities

18       A. Effective from January 1, 2010, through June 30, 2013, the sales and use  
19       tax imposed by ~~the state of Louisiana and its~~ political subdivisions whose boundaries  
20       are coterminous with the state shall not apply to the purchase of a motor vehicle by  
21       an individual that has been or will be modified for operation by, or for the  
22       transportation of, a person who is permanently orthopedically disabled at the time of  
23       purchase, and which is primarily driven by or used for the transportation of such  
24       person. The modifications shall be made in accordance with a prescription issued for  
25       the person by a physician, a licensed chiropractor, or a driver rehabilitation specialist  
26       licensed by the state. For purposes of this Section, the term "motor vehicle" shall not  
27       include vehicles purchased for resale or lease, or vehicles used for non-personal,

business, or commercial purposes, including ambulances, or travel trailers or other vehicles not designed to transport people.

\* \* \*

§305.70. Exemption; "Make It Right Foundation"

The sales and use tax imposed by ~~the state of Louisiana~~ or any political subdivision shall not apply to the sale of construction materials to the "Make It Right Foundation" when such materials are intended for use in constructing new residential dwellings in this state.

Section 2. R.S. 47:305(A)(2), (5) and (6), (D)(1)(f), (2)(a)(iv) and (v) and (b) and (3), 305.18, 305.26, 305.33, 305.36, 305.40, 305.42, 305.43, 305.54, 305.56, 305.62, 305.63, 305.64, 305.66, 305.67, and 305.68 are hereby repealed in their entirety.

Section 3. This Act shall become effective on January 1, 2014.

#### 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)]

Richard

HB No. 716

**Abstract:** Reduces the state sales and use tax rate from 4% to 2.88% on the retail sale, use, consumption, distribution, lease, rental, and storage or certain items of tangible personal property and on certain services.

Present law provides for a state sales and use tax rate of 4%, and includes numerous exemptions and exclusions from the tax.

Proposed law reduces the sales tax rate from 4% to 2.88% and repeals numerous exclusions and exemptions.

Effective Jan. 1, 2014.

(Amends R.S.47:301, 301.1(B), (D), and (E), 302(A), (B), (C)(1), and (D), 321(A) through (C), 302.1(A), 305(A)(1), (3), and (4)(a), (D)(1)(intro. para.) and (I) intro. para.), 305.1(A) and (B), 305.3, 305.6, 305.7, 305.9, 305.13, 305.14(A)(1)(a) and (5), 305.16, 305.17, 305.19, 305.20(A), 305.25(A) and (B), 305.41, 305.44(A)(intro. para.), 305.45(A)(intro. para.), 305.46(A)(intro. para.), 305.49, 305.50(A)(1), 305.51(A), 305.53(A), 305.57(A), 305.61(A), 305.65(A), 305.69(A), and 305.70; Repeals R.S. 47:305(A)(2), (5), and (6), (D)(1)(f), (2)(a)(iv) and (v) and (b) and (3), 305.18, 305.26, 305.33, 305.36, 305.40, 305.42, 305.43, 305.54, 305.56, 305.62, 305.63, 305.64, 305.66, 305.67, and 305.68)