
DIGEST

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HB 778 Original

2015 Regular Session

St. Germain

Abstract: Levies a 1% state sales and use tax for 10 years to be used for construction of specific highway and bridge projects that are part of the major economic development corridors of the state, and investment in the La. State Transportation Infrastructure Bank.

Present law imposes a total of 4% in state sales and use taxes upon the sale at retail, use, consumption, distribution, and storage for use or consumption, lease, or rental in La. of tangible personal property. Further the tax is also imposed on certain specific services.

Proposed law retains present law but imposes an additional 1% state sales and use tax from July 1, 2015, through July 1, 2025, upon the same tax base as is subject to the 4% state sales and use taxes levied under present law.

Proposed law provides that the additional 1% tax levied in proposed law shall be paid, collected, and administered under the same provisions as the sales and use taxes levied under present law. Further, provisions of present law concerning definitions, tax exemptions, tax exclusions, tax credits, penalties, and adjudication shall apply to the taxes levied by proposed law.

Proposed law dedicates the first \$100 million of the avails of the taxes levied by proposed law for deposit into the La. State Transportation Infrastructure Bank Fund and the remainder of the avails into the Major Economic Development Corridors Fund, which fund is established by proposed law.

Proposed law provides with respect to the investment and retention of year end balances for monies in the Major Economic Development Corridors Fund. Further, proposed law restricts appropriations from the fund to support of the following specific construction projects:

- (1) Two lane elevated roadway on La. Highway 1 South from Golden Meadow, La., to Leesville, La..
- (2) Four lane La. Highway 3127 from La. Highway 3213 to La. Highway 70.
- (3) Four lane La. Highway 1 from White Castle to Donaldsonville.
- (4) New bridge over the Mississippi River connecting La. Highway 1 to La. Highway 30.
- (5) Upgrade of U.S. Highway 90 to interstate standards (I-49) from I-10 in Lafayette to

Broussard.

- (6) Replacement and widening of the I-10 Bridge over the Calcasieu River.
- (7) Two additional lanes for I-12 in the following segments: La. Highway 21 to Airport Road, Satsuma to I-55, and Hammond to Mandeville.
- (8) Reconstruction and improvement of the Alexandria/Pineville Beltway from La. Highway 28 East to La. Highway 28 West including relocation of La. Highway 28 South.
- (9) Six lane I-20 from La. Highway 546 to La. Highway 594.
- (10) Four lane freeway (I-49 North Intercity Connector) from I-20 to I-220.
- (11) Replacement of the Belle Chasse Tunnel with a four lane bridge on La. Highway 23.
- (12) Completion of Napoleon Avenue Container Phases II and III at the Port of New Orleans.
- (13) Reconstruction of the interchange at Loyola Drive and I-10.
- (14) Four lane U.S. Highway 84 from Archie to Ferriday.
- (15) Reconstruction of the New Orleans Rail Gateway.

Effective July 1, 2015.

(Adds R.S. 47:340)