

1 WHEREAS, when convenience stores sell prepared food and nonprepared food
2 together, the prepared food is taxed at a higher rate than the nonprepared food during the
3 same transaction; and

4 WHEREAS, sellers who sale food products in the identical unheated conditions in
5 which the products were acquired from wholesalers, and who also sell similar products that
6 they themselves have prepared, must apply different state sales tax rates to the two classes
7 of food; and

8 WHEREAS, in cases where sellers of nonprepared foods have no information at the
9 times of sales to indicate that the food purchased from them is other than for home
10 consumption, but the actual consumption of the food is other than in homes, the purchasers
11 will be required to remit a use tax to the department equal to the difference between te 4
12 percent state sales tax rate that was due on the food purchased, and the state sales tax rate
13 that was actually remitted to the vendors; and

14 WHEREAS, purchasing nonprepared foods for immediate consumption at a
15 convenience store are eligible for exemption if the staff does not assist in heating the
16 nonprepared food although the nonprepared food is heated using the sellers equipment; and

17 WHEREAS, taxing prepared foods and nonprepared foods at the same rate will
18 eliminate any confusion with regards to the taxation rates of the particular foods; and

19 WHEREAS, the benefit derived from added economic activity from the taxation of
20 nonprepared foods will assist in generating more revenue for the state during our current
21 fiscal crisis.

22 THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby
23 urge and request the Department of Revenue to reevaluate and remove the reduced rate and
24 tax exemption applicable to certain sellers of nonprepared foods.

25 BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the
26 secretary of the Department of Revenue.

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)]

HCR 3 Original

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Havard

Urges and requests the Dept. of Revenue to reevaluate their revenue ruling determining the rate reduction and tax exemption applicable to certain retail sellers of nonprepared food.