
HOUSE COMMITTEE AMENDMENTS

2016 First Extraordinary Session

Amendments proposed by House Committee on Ways and Means to Original House Bill No. 101 by Representative Jackson

AMENDMENT NO. 1

2 On page 1, at the beginning of line 3, after "(o)," and before "305(A)(2)," insert "302(A),
3 (B), and (C)(1),"

AMENDMENT NO. 2

5 On page 1, line 9, after "305.57(A)" and before "305.60" insert "305.59,"

AMENDMENT NO. 3

7 On page 1, line 11, after "taxes;" and before "to provide" insert the following:

8 "to provide with respect to the rate of state sales and use taxes; to increase the rates
9 of state sales and use taxes;"

AMENDMENT NO. 4

11 On page 1, at the beginning of line 16, insert "302(A), (B), and (C)(1),"

AMENDMENT NO. 5

13 On page 7, between lines 17 and 18, insert the following:

14 "(I) A person whose principal activity is manufacturing, as defined in this
15 Subparagraph, and who is assigned by the Louisiana Workforce Commission a North
16 American Industrial Classification System code within the agricultural, forestry,
17 fishing, and hunting Sector 11, the manufacturing Sectors 31-33, the information
18 Sector 511110 as they existed in 2002, or industry code 423930 as a recyclable
19 material merchant wholesaler engaged in manufacturing activities, which must
20 include shredding facilities, as determined by the secretary of the Department of
21 Revenue."

AMENDMENT NO. 6

23 On page 15, at the beginning of line 3, after "(j)" insert the following:

24 "Solely for purposes of the sales and use tax levied by the state or any
25 political subdivision whose boundaries are coterminous with those of the state, the
26 term "lease or rental" shall not include the lease or rental in this state of
27 manufacturing machinery and equipment used or consumed in this state to
28 manufacture, produce, or extract unblended biodiesel."

AMENDMENT NO. 7

30 On page 27, at the beginning of line 3, after "(y)" insert the following:

31 "(i) Solely for the purposes of sales and use taxes levied by the state or any
32 political subdivision whose boundaries are coterminous with those of the state, the
33 term "sale at retail" shall not include the sale of manufacturing machinery and

1 equipment used or consumed in this state to manufacture, produce, or extract
2 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
6 used 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
27 or waste oil, unblended biodiesel, or tire-derived fuel, but not coal, lignite, refinery
28 gas, nuclear fuel, or electricity. "Manufacturer" means a person whose principal
29 activity is manufacturing and who is assigned by the Louisiana Workforce
30 Commission a North American Industrial Classification System code with the
31 agricultural, forestry, fishing, and hunting Sector 11 or the manufacturing Sectors 31-
32 33 as they existed in 2002."

33 AMENDMENT NO. 8

34 On page 34, after line 10, insert the following:

35
36 "(k)(i) For purposes of the imposition of the sales tax levied by the state and
37 any political subdivision whose boundaries are coterminous with those of the state,
38 the sales price of machinery and equipment purchased by a manufacturer for use in
39 a plant facility predominately and directly in the actual manufacturing for
40 agricultural purposes or the actual manufacturing process of an item of tangible
41 personal property, which is for ultimate sale to another and not for internal use, at
42 one or more fixed locations within Louisiana shall be reduced as follows:

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

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

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

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

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

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

55 (ii) For purposes of this Subparagraph, "machinery and equipment",
56 "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,
5 321, 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
8 adopt rules and regulations in order to administer the exclusion provided for in this
9 Subparagraph."

10 AMENDMENT NO. 9

11 On page 46, delete line 19 in its entirety and insert the following:

12 "~~(m)(i)(l)(i)~~ Notwithstanding any other provision of law to the contrary, for
13 purposes of the sales and use tax levied by the state or any political subdivision
14 whose boundaries are coterminous with those of the state, the term "tangible personal
15 property" shall not include machinery and equipment used by a motor vehicle
16 manufacturer with a North American Industry Classification System (NAICS) Code
17 beginning with 3361, or by a glass container manufacturer with a NAICS Code of
18 327213. This exclusion shall be subject to the definitions and requirements of Item
19 (3)(i)(ii) of this Section."

20 AMENDMENT NO. 10

21 On page 46, at the beginning of line 27, insert "(ii)"

22 AMENDMENT NO. 11

23 On page 47, after line 10, insert the following:

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

29 (aa) An individual domiciled in the state who owns a business with
30 substantially all of its assets located in the state and substantially all of its payroll
31 paid in the state.

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

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

38 ~~(o)(i)~~ "(n)(i)" For purposes of the imposition of the sales and use tax levied
39 by the state and any political subdivision whose boundaries are coterminous with
40 those of the state, the term "tangible personal property" shall not include machinery
41 and equipment as defined in and subject to the requirements of R.S. 47:301(3)(i)(ii)
42 which is purchased by a utility regulated by the Public Service Commission or the
43 council of the City of New Orleans. For the purposes of this Paragraph, the term
44 "utility" shall mean a person regulated by the Public Service Commission or the
45 council of the City of New Orleans who is assigned a North American Industrial
46 Classification System Code 22111, Electric Power Generation, as it existed in 2002.
47 Such utility shall also be considered a "manufacturer" for purposes of R.S.
48 47:301(3)(i)(ii).

49 (ii) For purposes of this Subparagraph, a political subdivision whose
50 boundaries are not coterminous with those of the state may provide for a sales and
51 use tax exclusion for machinery and equipment as defined in and subject to the

1 requirements of R.S. 47:301(3)(i)(ii) which is purchased by a utility regulated by the
2 Public Service Commission or the council of the city of New Orleans."

3 AMENDMENT NO. 12

4 On page 48, at the beginning of line 11, change "~~(p)~~(m)" to "~~(p)~~(n)"

5 AMENDMENT NO. 13

6 On page 48, at the beginning of line 14, change "~~(q)~~(n)" to "~~(q)~~(o)"

7 AMENDMENT NO. 14

8 On page 50, after line 7, insert the following:

9 "(k) Solely for purposes of the sales and use tax levied by the state or any
10 political subdivision whose boundaries are coterminous with those of the state, the
11 term "use" shall not include the purchase, the use, the consumption, the distribution,
12 the storage for use or consumption, or the exercise of any right or power over
13 manufacturing machinery and equipment used or consumed in this state to
14 manufacture, produce or extract unblended biodiesel.

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

25 AMENDMENT NO. 15

26 On page 51, between line 1 and 2, insert the following:

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

31 (1) ~~At Until April 1, 2016,~~ the rate of two per centum (2%) of the sales price
32 of each item or article of tangible personal property when sold at retail in this state;
33 the tax to be computed on gross sales for the purpose of remitting the amount of tax
34 due the state, and to include each and every retail sale. Beginning April 1, 2016, the
35 tax rate shall be two and one-half percent (2.5%).

36 (2) ~~At Until April 1, 2016,~~ the rate of two per centum (2%) of the cost price
37 of each item or article of tangible personal property when the same is not sold but
38 is used, consumed, distributed, or stored for use or consumption in this state;
39 provided there shall be no duplication of the tax. Beginning April 1, 2016, the tax
40 rate shall be two and one-half percent (2.5%).

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

1 (1) ~~At~~ Until April 1, 2016, the rate of two per centum (2%) of the gross
2 proceeds derived from the lease or rental of tangible personal property, as defined
3 herein, where the lease or rental of such property is an established business, or part
4 of an established business, or the same is incidental or germane to the said business.
5 Beginning April 1, 2016, the tax rate shall be two and one-half percent (2.5%).

6 (2) ~~At~~ Until April 1, 2016, the rate of two per centum (2%) of the monthly
7 lease or rental price paid by lessee or rentee, or contracted or agreed to be paid by
8 lessee or rentee to the owner of the tangible personal property. Beginning April 1,
9 2016, the tax rate shall be two and one-half percent (2.5%).

10 C.(1) ~~There~~ Until April 1, 2016, there is hereby levied a tax upon all sales
11 of services, as herein defined, in this state, at the rate of two percent of the amounts
12 paid or charged for such services. Beginning April 1, 2016, the tax rate shall be two
13 and one-half percent (2.5%)."