

---

## 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)]

---

HB 39 Reengrossed

2016 First Extraordinary Session

Stokes

**Abstract:** Levies a state tax of 2.5% and a local tax of .5% of the gross proceeds on the rental of automobiles.

Proposed law levies a 2.5% state and .5% local automobile rental tax on the proceeds derived from an automobile rental contract. The tax is in addition to any other tax, fee, or license.

Proposed law prohibits the tax being levied on the following:

- (1) Rentals by an insurance company as a replacement vehicle for a policyholder.
- (2) Rentals by an automobile dealer while a customer's vehicle is being serviced or repaired.
- (3) Rentals by an individual while the individual's vehicle is being serviced or repaired.

Proposed law requires the tax collected to be remitted to the secretary of the Dept. of Revenue (DOR). Further requires the secretary of DOR to distribute local sales tax collected and remitted to the corresponding local sales tax collector or governing authority.

Proposed law requires the local tax collected in Jefferson Parish to be distributed as follows:

- (1) One-third to the city of Kenner for arts and recreation.
- (2) One-third to the city of Westwego for promotion of the Westwego Performing Arts Center.
- (3) One-third to the Jefferson Convention and Visitors Bureau solely for promotion of events staged at the Jefferson Performing Arts Center.

Proposed law requires the local tax collected in Orleans Parish to be distributed to the New Orleans Council on Aging beginning April 1, 2016 through Dec. 31, 2016, and thereafter, requires distribution for road repairs and beautification projects.

Effective April 1, 2016.

(Amends R.S. 47:551)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the original bill:

1. Change the distribution for the local taxes collected in Jefferson Parish from 2/3 distributed to the Jefferson Parish Performing Arts Society for programs on the east and west bank, with 1/3 of that amount going to the Westwego Performing Arts Center, to 1/3 of the amount going to the city of Westwego for promotion of the Westwego Performing Arts Center, and 1/3 of the amount going to the Jefferson Convention and Visitors Bureau solely for promotion of events staged at the Jefferson Performing Arts Center.
2. Requires the local tax collected in Orleans Parish beginning April 1, 2016 through Dec. 31, 2017, to be distributed to the New Orleans Council on Aging.