

GREEN SHEET REDIGEST

HB 39

2016 First Extraordinary Session

Stokes

(KEYWORD, SUMMARY, AND DIGEST as amended by Senate committee amendments)

TAX/EXCISE: Levies an automobile rental tax (Item #25)

DIGEST

Present law for the period from August 1, 1990, through June 30, 2012, levied a 2.5% state and .5% local automobile rental tax on the proceeds derived from an automobile rental contract. This tax was in addition to any other tax, fee, or license.

Proposed law removes the June 30, 2012, date and reinstates the state and local taxes on automobile rentals.

The statutory provisions which prohibited the state and local tax which being levied on the following are retained by removal of the June 30, 2012, date:

- (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 makes effective provisions requiring that the tax collections be remitted to the secretary of the Dept. of Revenue (DOR) and requires the secretary of DOR to distribute local sales tax collected and remitted to the corresponding local sales tax collector or governing authority.

Under the provisions which terminated on June 30, 2012, the local tax collected in Jefferson Parish was distributed in equal shares as follows:

- (1) One-third to the city of Kenner for arts and recreation.
- (2) Two-thirds of the tax to be distributed to the Jefferson Performing Arts Society for programs on the east and west bank and one-third of that amount to be distributed to the Westwego Performing Arts Center.

Proposed law distributes the tax collected in Jefferson Parish as follows:

- (1) One-third to the city of Kenner for arts and recreation.
- (2) One-third to be distributed to the city of Westwego for promotion of the Westwego Performing Arts Center, including events and programs.
- (3) One-third to be distributed in equal shares to the following:
 - (a) Capital improvements and maintenance of Lafriener Park.
 - (b) Maintenance and litter abatement of the Westbank Expressway unincorporated Jefferson Parish.
 - (c) Maintenance, operation, and promotion of events at the Jefferson Parish 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.

Proposed law requires that local tax collected in Bossier Parish be distributed to the Bossier Parish Council on Aging.

Proposed law requires that local tax collected in Caddo Parish be distributed as follows:

- (1) 80% of the tax shall be distributed to Louisiana State University and Agricultural and Mechanical College Medical School at Shreveport.
- (2) 20% of the tax shall be distributed to the Caddo Parish Council on Aging.

Proposed law provides that local tax collected in Calcasieu Parish shall be distributed to Airport District #1 of Calcasieu Parish for the maintenance and operation of the Lake Charles Regional Airport.

Proposed law provides that local tax collected in East Baton Rouge Parish shall be distributed as follows:

- (1) 20% to the East Baton Rouge Council on Aging.
- (2) 20% to Capital Area Human Services.
- (3) 20% to the Arts Council of Greater Baton Rouge for its operations and programs.
- (4) The remainder shall be distributed in accordance with proposed law.

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. Changes 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.

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the reengrossed bill

1. Makes changes to the distribution for the local taxes collected in Jefferson Parish.
2. Removes the deadline for which the local tax distributed to the New Orleans Council on Aging can occur.
3. Provides for the distribution of local taxes in Bossier, Caddo, Calcasieu, and East Baton Rouge Parish.