

2016 First Extraordinary Session

HOUSE BILL NO. 61

BY REPRESENTATIVE JAY MORRIS

TAX/SALES & USE: To provide with respect to the applicability of certain exclusions and exemptions from state sales and use taxes

1 AN ACT

2 To amend and reenact R.S. 4:168 and 227, R.S. 12:425, R.S. 22:2065, R.S. 33:4169(D), R.S.
3 40:582.7 (introductory paragraph), R.S. 47:301(3), (6) through (10), (13) through
4 (16), (18), and (27), 302(R)(2) and (3), (S), and (T), 305(D)(1)(b) through (d), (g)
5 through (i), and (u), (2)(a)(introductory paragraph), (F), and (I), 305.6 through 305.9,
6 305.13, 305.14(A)(1), 305.16, 305.17, 305.18(A), 305.19, 305.20(C), 305.26,
7 305.28(A), 305.33, 305.40(A)(introductory paragraph), 305.41, 305.42, 305.43(A),
8 305.44(A)(introductory paragraph), 305.45(A)(introductory paragraph), 305.47,
9 305.49, 305.50(A)(1) and (2)(a), (B), and (E)(2), 305.51(A), 305.54(B)(1),
10 305.57(A), 305.58(A)(1), 305.59, 305.61(A), 305.62(B)(1), 305.63, 305.64(A)(1),
11 305.65(A), 305.67, 305.68, 305.70, 305.71, 331(P)(3) and (4), (Q) and (R), and
12 6001(A), and R.S. 51:1307(C) and to repeal Section 4 of Act No. 386 of 1990,
13 relative to state sales and use taxes; to provide with respect to the applicability of
14 certain exclusions and exemptions from the state sales and use tax base; to provide
15 for effectiveness; and to provide for related matters.

16 Be it enacted by the Legislature of Louisiana:

17 Section 1. R.S. 4:168 and 227 are hereby amended and reenacted to read as follows:

18 §168. License fees, commissions, and taxes of this Part in lieu of ~~all other such~~
19 certain taxes

20 The license fees, commissions, and taxes imposed in this Part are in lieu of
21 all other such licenses, ~~sales~~, excise taxes and occupational taxes ~~to~~, and certain sales
22 and use taxes imposed by the state or to any parish, city, town, or other political

1 subdivision thereof. The taxable transactions of a licensee shall be subject to the
2 state sales and use taxes imposed under Chapter 2-A of Subtitle II of Title 47 of the
3 Louisiana Revised Statutes of 1950, as amended.

4 * * *

5 §227. License fees, commissions, and taxes of this Part in lieu of ~~all other such~~
6 certain taxes

7 The license fees, commissions, and taxes imposed upon an offtrack wagering
8 facility in this Part are in lieu of all other such licenses, ~~sales~~, excise, and
9 occupational taxes to, and certain sales and use taxes imposed by the state or to any
10 parish, city, town, municipality, or other political subdivision thereof. However, this
11 exemption shall not be applicable to taxable transactions subject to the state sales and
12 use taxes imposed under Chapter 2-A of Subtitle II of Title 47 of the Louisiana
13 Revised Statutes of 1950, as amended.

14 Section 2. R.S. 12:425 is hereby amended and reenacted to read as follows:

15 §425. Taxation

16 Each cooperative shall pay annually, on or before the first day of July, to the
17 department of revenue, a fee of ten dollars for each one hundred persons or fraction
18 thereof to whom electricity is supplied within the state by it, but shall be exempt
19 from all other excise and income taxes whatsoever. However, the exemption
20 authorized under this Section shall not be applicable to taxable transactions subject
21 to the state sales and use taxes imposed under Chapter 2-A of Subtitle II of Title 47
22 of the Louisiana Revised Statutes of 1950, as amended.

23 Section 3. R.S. 22:2065 is hereby amended and reenacted to read as follows:

24 §2065. Tax exemption

25 The association shall be exempt from payment of all fees and all taxes levied
26 by this state under R.S. 47:302 and 331 or those taxes levied by any of its political
27 subdivisions ~~except~~ with the exception of taxes levied on real or personal property.

28 Section 4. R.S. 33:4169(D) is hereby amended and reenacted to read as follows:

1 §4169. Collection contracts for sewerage service charges; access charges;
2 enforcement procedures for delinquent charges

3 * * *

4 D. Any municipal corporation, parish, or sewerage or water district shall
5 have the power to execute and enter into a contract with any private company for the
6 construction of sewerage or wastewater treatment facilities and for the operation of
7 such facilities. Any such private company shall have in its construction and
8 operation of such facilities the same ad valorem and sales tax liability exemption as
9 the municipal corporation, parish, or sewerage or water district with which it
10 contracts for such purpose; however, this exemption shall not be applicable to
11 taxable transactions subject to the state sales and use taxes imposed under Chapter
12 2-A of Subtitle II of Title 47 of the Louisiana Revised Statutes of 1950, as amended.

13 * * *

14 Section 5. R.S. 40:582.7(introductory paragraph) is hereby amended and reenacted
15 to read as follows:

16 §582.7. Incentives

17 The governing authority and the Department of Revenue shall refund or
18 cause to have refunded, in accordance with rules and regulations adopted by the
19 governing authority and rules and regulations adopted by the Department of
20 Revenue, to eligible persons those state sales and use taxes imposed and collected
21 under R.S. 47:302 and 331 and any local ~~and state~~ sales and use taxes collected as
22 a consequence of the purchase of materials used in the restoration, renovation, or
23 rehabilitation of an existing structure or the construction of a new house and
24 associated improvements in an approved housing development area provided:

25 * * *

26 Section 6. R.S. 47:301(3), (6) through (10), (13) through (16), (18), and (27),
27 302(R)(2) and (3), (S), and (T), 305(D)(1)(b) through (d), (f) through (i), and (u),
28 (2)(a)(introductory paragraph), (F), and (I), 305.6 through 305.9, 305.13, 305.14(A)(1),
29 305.16, 305.17, 305.18(A), 305.19, 305.20(C), 305.26, 305.28(A), 305.33,

1 305.40(A)(introductory paragraph), 305.41, 305.42, 305.43(A), 305.44(A)(introductory
2 paragraph), 305.45(A)(introductory paragraph), 305.47, 305.49, 305.50(A)(1) and (2)(a),
3 (B), and (E)(2), 305.51(A), 305.54(B)(1), 305.57(A), 305.58(A)(1), 305.59, 305.61(A),
4 305.62(B)(1), 305.63, 305.64(A)(1), 305.65(A), 305.67, 305.68, 305.70, 305.71, 331(P)(3)
5 and (4), (Q) and (R), and 6001(A) are hereby amended and reenacted to read as follows:

6 §301. Definitions

7 As used in this Chapter the following words, terms, and phrases have the
8 meaning ascribed to them in this Section, unless the context clearly indicates a
9 different meaning:

10 * * *

11 (3)(a) "Cost price" means the actual cost of the articles of tangible personal
12 property without any deductions therefrom on account of the cost of materials used,
13 labor, or service cost, except those service costs for installing the articles of tangible
14 personal property if such cost is separately billed to the customer at the time of
15 installation, transportation charges, or any other expenses whatsoever, or the
16 reasonable market value of the tangible personal property at the time it becomes
17 susceptible to the use tax, whichever is less.

18 (b) In the case of tangible personal property which has acquired a tax situs
19 in a taxing jurisdiction and is thereafter transported outside the taxing jurisdiction for
20 repairs performed outside the taxing jurisdiction and is thereafter returned to the
21 taxing jurisdiction, the cost price shall be deemed to be the actual cost of any parts
22 and/or materials used in performing such repairs, if applicable labor charges are
23 separately stated on the invoice. If the applicable labor charges are not separately
24 stated on the invoice, it shall be presumed that the cost price is the total charge
25 reflected on the invoice.

26 (c) "Cost price" shall not include the supplying and installation of board
27 roads to oil field operators if the installation charges are separately billed to the
28 customer at the time of installation.

1 (d)(i) In the case of interchangeable components located in Louisiana, a
2 taxpayer may elect to determine the cost price of such components as follows:

3 (aa) The taxpayer shall send to the secretary written notice of the calendar
4 month selected by the taxpayer as the first month for the determination of cost price
5 under this Paragraph (the "First Month"). The taxpayer may select any month. The
6 taxpayer shall send to the secretary notice of an election to designate a First Month
7 on the first day of the designated First Month, or ninety days from July 1, 1990,
8 whichever is later.

9 (bb) For the First Month and each month thereafter, cost price shall be based
10 and use tax shall be paid only on one-sixtieth of the aggregate cost price of the
11 interchangeable components deployed and earning revenue within Louisiana during
12 the month, without regard to any credit or other consideration for Louisiana state,
13 political subdivision, or school board use tax previously paid on such
14 interchangeable components.

15 (cc) Any election made under this Paragraph shall be irrevocable for a period
16 of sixty consecutive months inclusive of the First Month. If at any time after the
17 sixty-month period the taxpayer revokes its election, no credit or other consideration
18 for use taxes paid pursuant thereto shall be applied to any use tax liability arising
19 after such revocation.

20 (ii)(aa) For purposes of this Paragraph, "interchangeable component" means
21 a component that is used or stored for use in measurement-while-drilling instruments
22 or systems manufactured or assembled by the taxpayer, which measurement-while-
23 drilling instruments or systems collectively generate eighty percent or more of their
24 annual revenue from their use outside of the state.

25 (bb) "Measurement-while-drilling instruments or systems" means
26 instruments or systems which measure information from a downhole location in a
27 borehole, transmit the information to the surface during the process of drilling the
28 borehole using a wireless technique, and receive and decode the information on the
29 surface.

1 (iii) The method for determining cost price of interchangeable components
2 provided for in this Paragraph shall apply to any use taxes imposed by a local
3 political subdivision or school board. For purposes of that application, the words
4 "political subdivision" or "school board" as the case may be, shall be substituted for
5 the words "Louisiana" or "State" in each instance where those words appear in this
6 Paragraph and an appropriate official of the local political subdivision or school
7 board shall be designated to receive the notices required by this Paragraph.

8 (e) ~~Cost~~ For purposes of the state sales and use taxes imposed under R.S.
9 47:302 and 331 and the sales and use tax imposed by any political subdivision, the
10 term "cost price" shall not include any amount designated as a cash discount or a
11 rebate by a vendor or manufacturer of any new vehicle subject to the motor vehicle
12 license tax. For purposes of this Paragraph "rebate" means any amount offered by
13 the vendor or manufacturer as a deduction from the listed retail price of the vehicle.

14 (f) ~~The~~ For purposes of the state sales and use taxes imposed under R.S.
15 47:302 and 331 and the sales and use tax imposed by any political subdivision, the
16 "cost price" of refinery gas shall be fifty-two cents per thousand cubic feet multiplied
17 by a fraction the numerator of which shall be the posted price for a barrel of West
18 Texas Intermediate Crude Oil on December first of the preceding calendar year and
19 the denominator of which shall be twenty-nine dollars, and provided further that such
20 cost price shall be the maximum value placed upon refinery gas by the state and by
21 any political subdivision under any authority or grant of power to levy and collect
22 use taxes.

23 (g) "Cost price", for purposes of the use tax imposed by the state under R.S.
24 47:302 and 331 and its political subdivisions, shall exclude any amount that a
25 manufacturer pays directly to a dealer of the manufacturer's product for the purpose
26 of reducing and that actually results in an equivalent reduction in the retail "cost
27 price" of that product. This exclusion shall not apply to the value of the coupons that
28 dealers accept from purchasers as part payment of the "sales price" and that are
29 redeemable by the dealers through manufacturers or their agents. The value of such

1 coupons is deemed to be part of the "cost price" of the product purchased through the
2 use of the coupons.

3 (h)(i) For purposes of a publishing business which distributes its news
4 publications at no cost to readers and pays unrelated third parties to print such news
5 publications, the term "cost price" shall mean only the lesser of the following costs:

6 (aa) The printing cost paid to unrelated third parties to print such news
7 publications, less any itemized freight charges for shipping the news publications
8 from the printer to the publishing business and any itemized charges for paper and
9 ink.

10 (bb) Payments to a dealer or distributor as consideration for distribution of
11 the news publications.

12 (ii) The definition of "cost price" provided for in this Subparagraph shall be
13 applicable to taxes levied by all tax authorities in the state.

14 (i)(i) For purposes of the imposition of the use tax levied by the state ~~and any~~
15 ~~political subdivision whose boundaries are coterminous with those of the state~~ under
16 R.S. 47:302 and 331, the cost price of machinery and equipment used by a
17 manufacturer in a plant facility predominately and directly in the actual
18 manufacturing for agricultural purposes or the actual manufacturing process of an
19 item of tangible personal property, which is for ultimate sale to another and not for
20 internal use, at one or more fixed locations within Louisiana, shall be reduced as
21 follows:

22 (aa) For the period ending on June 30, 2005, the cost price shall be reduced
23 by five percent.

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

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

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

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

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

5 (ii) For purposes of this Subparagraph, the following definitions shall apply:

6 (aa) "Machinery and equipment" means tangible personal property or other
7 property that is eligible for depreciation for federal income tax purposes and that is
8 used as an integral part in the manufacturing of tangible personal property for sale.
9 "Machinery and equipment" shall also mean tangible personal property or other
10 property that is eligible for depreciation for federal income tax purposes and that is
11 used as an integral part of the production, processing, and storing of food and fiber
12 or of timber.

13 (I) Machinery and equipment, for purposes of this Subparagraph, also
14 includes but is not limited to the following:

15 (aaa) Computers and software that are an integral part of the machinery and
16 equipment used directly in the manufacturing process.

17 (bbb) Machinery and equipment necessary to control pollution at a plant
18 facility where pollution is produced by the manufacturing operation.

19 (ccc) Machinery and equipment used to test or measure raw materials, the
20 property undergoing manufacturing or the finished product, when such test or
21 measurement is a necessary part of the manufacturing process.

22 (ddd) Machinery and equipment used by an industrial manufacturing plant
23 to generate electric power for self consumption or cogeneration.

24 (eee) Machinery and equipment used primarily to produce a news
25 publication whether it is ultimately sold at retail or for resale or at no cost. Such
26 machinery and equipment shall include but not be limited to all machinery and
27 equipment used primarily in composing, creating, and other prepress operations,
28 electronic transmission of pages from prepress to press, pressroom operations, and
29 mailroom operations and assembly activities. The term "news publication" shall

1 mean any publication issued daily or regularly at average intervals not exceeding
2 three months, which contains reports of varied character, such as political, social,
3 cultural, sports, moral, religious, or subjects of general public interest, and
4 advertising supplements and any other printed matter ultimately distributed with or
5 a part of such publications.

6 (II) Machinery and equipment, for purposes of this Subparagraph, does not
7 include any of the following:

8 (aaa) A building and its structural components, unless the building or
9 structural component is so closely related to the machinery and equipment that it
10 houses or supports that the building or structural component can be expected to be
11 replaced when the machinery and equipment are replaced.

12 (bbb) Heating, ventilation, and air-conditioning systems, unless their
13 installation is necessary to meet the requirements of the manufacturing process, even
14 though the system may provide incidental comfort to employees or serve, to an
15 insubstantial degree, nonproduction activities.

16 (ccc) Tangible personal property used to transport raw materials or
17 manufactured goods prior to the beginning of the manufacturing process or after the
18 manufacturing process is complete.

19 (ddd) Tangible personal property used to store raw materials or
20 manufactured goods prior to the beginning of the manufacturing process or after the
21 manufacturing process is complete.

22 (bb) "Manufacturer" means:

23 (I) A person whose principal activity is manufacturing, as defined in this
24 Subparagraph, and who is assigned by the Louisiana Workforce Commission a North
25 American Industrial Classification System code within the agricultural, forestry,
26 fishing, and hunting Sector 11, the manufacturing Sectors 31-33, the information
27 Sector 511110 as they existed in 2002, or industry code 423930 as a recyclable
28 material merchant wholesaler engaged in manufacturing activities, which must

1 include shredding facilities, as determined by the secretary of the Department of
2 Revenue.

3 (II) A person whose principal activity is manufacturing and who is not
4 required to register with the Louisiana Workforce Commission for purposes of
5 unemployment insurance, but who would be assigned a North American Industrial
6 Classification System code within the agricultural, forestry, fishing, and hunting
7 Sector 11, the manufacturing Sectors 31-33, the information Sector 511110 as they
8 existed in 2002, as determined by the Louisiana Department of Revenue from federal
9 income tax data, if he were required to register with the Louisiana Workforce
10 Commission for purposes of unemployment insurance.

11 (cc) "Manufacturing" means putting raw materials through a series of steps
12 that brings about a change in their composition or physical nature in order to make
13 a new and different item of tangible personal property that will be sold to another.
14 Manufacturing begins at the point at which raw materials reach the first machine or
15 piece of equipment involved in changing the form of the material and ends at the
16 point at which manufacturing has altered the material to its completed form. Placing
17 materials into containers, packages, or wrapping in which they are sold to the
18 ultimate consumer is part of this manufacturing process. Manufacturing, for
19 purposes of this Subparagraph, does not include any of the following:

20 (I) Repackaging or redistributing.

21 (II) The cooking or preparing of food products by a retailer in the regular
22 course of retail trade.

23 (III) The storage of tangible personal property.

24 (IV) The delivery of tangible personal property to or from the plant.

25 (V) The delivery of tangible personal property to or from storage within the
26 plant.

27 (VI) Actions such as sorting, packaging, or shrink wrapping the final
28 material for ease of transporting and shipping.

1 (dd) "Manufacturing for agricultural purposes" means the production,
2 processing, and storing of food and fiber and the production, processing, and storing
3 of timber.

4 (ee) "Plant facility" means a facility, at one or more locations, in which
5 manufacturing, referred to in Sectors 11 and 31-33 of the North American Industrial
6 Classification system as of 2002, of a product of tangible personal property takes
7 place.

8 (ff) "Used directly" means used in the actual process of manufacturing or
9 manufacturing for agricultural purposes.

10 (iii) No person shall be entitled to purchase, use, lease, or rent machinery or
11 equipment as defined herein without payment of the tax imposed by R.S. 47:302,
12 321, and 331 before receiving a certificate of exclusion from the secretary of the
13 Department of Revenue certifying that he is a manufacturer as defined herein.

14 (iv) The secretary of the Department of Revenue is hereby authorized to
15 adopt rules and regulations in order to administer the exclusion provided for in this
16 Subparagraph.

17 (j) For the purpose of the sales and use taxes imposed by the state ~~or any~~
18 ~~political subdivision whose boundaries are coterminous with those of the state~~ under
19 R.S. 47:302 and 331, the "cost price" of electric power or energy, or natural gas for
20 the period beginning July 1, 2007 and thereafter, purchased or used by paper or wood
21 products manufacturing facilities shall not include any of such cost.

22 (k)(i) For purposes of the imposition of the sales and use tax levied by the
23 ~~state or any political subdivision whose boundaries are coterminous with those of the~~
24 ~~state~~ under R.S. 47:302 and 331, the tax on the cost price of tangible property
25 consumed in the manufacturing process, such as fuses, belts, felts, wires, conveyor
26 belts, lubricants, and motor oils and the tax on the cost price of repairs and
27 maintenance of manufacturing machinery and equipment shall be reduced as follows:

28 (aa) For the period beginning July 1, 2010, and ending on June 30, 2011, the
29 state sales and use tax on the cost price shall be reduced by twenty-five percent.

1 (bb) For the period beginning July 1, 2011, and ending June 30, 2012, the
2 state sales and use tax on the cost price shall be reduced by fifty percent.

3 (cc) For the period beginning July 1, 2012, and ending June 30, 2013, the
4 state sales and use tax on the cost price shall be reduced by seventy-five percent.

5 (dd) For all periods beginning on and after July 1, 2013, the state sales and
6 use tax on the cost price shall be reduced by one hundred percent.

7 (ii) For purposes of this Subparagraph, "manufacturer" means a person
8 whose principal activity is manufacturing and who is assigned an industry group
9 designation by the United States Census of 3211 through 3222 or 113310 pursuant
10 to the North American Industry Classification System of 2007.

11 * * *

12 (6)(a) "Hotel" means and includes any establishment engaged in the business
13 of furnishing sleeping rooms, cottages, or cabins to transient guests, where such
14 establishment consists of six or more sleeping rooms, cottages, or cabins at a single
15 business location.

16 (b) For purposes of the sales and use taxes ~~of all tax authorities in this state,~~
17 imposed by the state under R.S. 47:302 and 331 and any sales and use tax imposed
18 by a political subdivision, the term "hotel" as defined herein shall not include camp
19 and retreat facilities owned and operated by nonprofit organizations exempt from
20 federal income tax under Section 501(a) of the Internal Revenue Code as an
21 organization described in Section 501(c)(3) of the Internal Revenue Code provided
22 that the net revenue derived from the organizations's property is devoted wholly to
23 the nonprofit organization's purposes. However, for purposes of this Paragraph, the
24 term "hotel" shall include camp and retreat facilities which shall sell rooms or other
25 accommodations to transient guests who are not attending a function of such
26 nonprofit organization that owns and operates the camp and retreat facilities or a
27 function of another nonprofit organization exempt from federal income tax under
28 Section 501(a) of the Internal Revenue Code as an organization described in Section

1 501(c)(3) of the Internal Revenue Code. It is the intention of the legislature to tax
2 the furnishing of rooms to those who merely purchase lodging at such facilities.

3 (c) For purposes of the sales and use taxes ~~of all tax authorities in this state~~
4 imposed by the state under R.S. 47:302 and 331 and any sales and use tax imposed
5 by a political subdivision, the term "hotel", as defined herein, shall not include a
6 temporary lodging facility which is operated by a nonprofit organization described
7 in Section 501(c)(3) of the Internal Revenue Code, provided that the facility is
8 devoted exclusively to the temporary housing, for periods no longer than thirty days'
9 duration, of homeless transient persons whom the organization determines to be
10 financially incapable of engaging lodging at a facility defined by Subparagraph (a)
11 of this Paragraph, and further provided that the lodging charge to such persons is no
12 greater than twenty dollars per day.

13 (7)(a) "Lease or rental" means the leasing or renting of tangible personal
14 property and the possession or use thereof by the lessee or renter, for a consideration,
15 without transfer of the title of such property. For the purpose of the leasing or
16 renting of automobiles, "lease" means the leasing of automobiles and the possession
17 or use thereof by the lessee, for a consideration, without the transfer of the title of
18 such property for a one hundred eighty-day period or more. "Rental" means the
19 renting of automobiles and the possession or use thereof by the renter, for a
20 consideration, without the transfer of the title of such property for a period less than
21 one hundred eighty days.

22 (b) ~~The~~ For purposes of the sales and uses taxes imposed by the state under
23 R.S. 47:302 and 331 and any sales and use tax imposed by a political subdivision,
24 the term "lease or rental", however, as herein defined, shall not mean or include the
25 lease or rental made for the purposes of re-lease or re-rental of casing tools and pipe,
26 drill pipe, tubing, compressors, tanks, pumps, power units, other drilling or related
27 equipment used in connection with the operating, drilling, completion, or reworking
28 of oil, gas, sulphur, or other mineral wells.

1 (c) ~~The~~ For purposes of the sales and uses taxes imposed by the state under
2 R.S. 47:302 and 331 and any sales and use tax imposed by a political subdivision,
3 the term "lease or rental", as herein defined shall not mean or include a lease or
4 rental of property to be used in performance of a contract with the United States
5 Department of the Navy for construction or overhaul of U.S. Naval vessels.

6 (d) ~~The~~ For purposes of the sales and uses taxes imposed by the state under
7 R.S. 47:302 and 331 and any sales and use tax imposed by a political subdivision,
8 the term "lease or rental", as herein defined, shall not mean the lease or rental of
9 airplanes or airplane equipment by a commuter airline domiciled in Louisiana.

10 (e) For purposes of state and political subdivision sales and use tax, the term
11 "lease or rental", as herein defined, shall not mean the lease or rental of items,
12 including but not limited to supplies and equipment, which are reasonably necessary
13 for the operation of free hospitals.

14 (f) For purposes of ~~state and political subdivision sales and use tax~~ sales and
15 use taxes imposed by the state under R.S. 47:302 and 331 and any sales and use tax
16 imposed by a political subdivision, "lease or rental" shall not mean the lease or rental
17 of educational materials or equipment used for classroom instruction by approved
18 parochial and private elementary and secondary schools which comply with the court
19 order from the Dodd Brumfield decision and Section 501(c)(3) of the Internal
20 Revenue Code, limited to books, workbooks, computers, computer software, films,
21 videos, and audio tapes.

22 (g) For purposes of state and political subdivision sales and use tax, "lease
23 or rental" shall not mean the lease or rental of tangible personal property to Boys
24 State of Louisiana, Inc. and Girls State of Louisiana, Inc. which is used by such
25 organizations for their educational and public service programs for youth.

26 (h) For purposes of state and political subdivision sales and use tax, the term
27 "lease or rental" shall not mean or include the lease or rental of motor vehicles by
28 licensed motor vehicle dealers, as defined in ~~R.S. 32:1252(14)~~ R.S. 32:1252(35), or
29 vehicle manufacturers, as defined in ~~R.S. 32:1252(11)~~ R.S. 32:1252(24), for their use

1 in furnishing such leased or rented motor vehicles to their customers in performance
2 of their obligations under warranty agreements associated with the purchase of a
3 motor vehicle or when the applicable warranty has lapsed and the leased or rented
4 motor vehicle is provided to the customer at no charge.

5 (i) For purposes of sales and use taxes levied and imposed by local
6 governmental subdivisions, school boards, and other political subdivisions whose
7 boundaries are not coterminous with those of the state, "lease or rental" by a person
8 shall not mean or include the lease or rental of tangible personal property if such
9 lease or rental is made under the provisions of Medicare.

10 (j) Solely for purposes of the sales and use tax levied by the state ~~or any~~
11 ~~political subdivision whose boundaries are coterminous with those of the state~~ under
12 R.S. 47:302 and 331, the term "lease or rental" shall not include the lease or rental
13 in this state of manufacturing machinery and equipment used or consumed in this
14 state to manufacture, produce, or extract unblended biodiesel.

15 (k)(i) For purposes of any sales, use, or lease tax levied by the state or any
16 political subdivision of the state, the term "lease or rental" shall not include the lease
17 or rental of a crane and related equipment with an operator.

18 (ii) Notwithstanding the provisions of Item (i) of this Subparagraph, cranes
19 leased or rented with an operator are subject to the provisions of the sales and use tax
20 law upon first use in Louisiana.

21 (l)(i) For purposes of the sales and use tax levied by ~~all tax authorities in this~~
22 ~~state~~ the state under R.S. 47:302 and 331 and any sales and use tax imposed by a
23 political subdivision, the term "lease or rental" shall not apply to leases or rentals of
24 pallets which are used in packaging products produced by a manufacturer.

25 (ii) For purposes of this Subparagraph, the term "manufacturer" shall mean
26 a person whose primary activity is manufacturing and who is assigned by the
27 Louisiana Workforce Commission a North American Industrial Classification
28 System code within the manufacturing sectors 31-33 as they existed in 2002.

1 (8)(a) "Person", except as provided in Subparagraph (c), includes any
2 individual, firm, copartnership, joint adventure, association, corporation, estate, trust,
3 business trust, receiver, syndicate, this state, any parish, city and parish,
4 municipality, district or other political subdivision thereof or any board, agency,
5 instrumentality, or other group or combination acting as a unit, and the plural as well
6 as the singular number.

7 (b) Solely for purposes of the payment of state sales or use tax imposed
8 under R.S. 47:302 and 331 on the lease or rental or the purchase of tangible personal
9 property or services, "person" shall not include a regionally accredited independent
10 institution of higher education which is a member of the Louisiana Association of
11 Independent Colleges and Universities, if such lease or rental or purchase is directly
12 related to the educational mission of such institution. However, the term "person"
13 shall include such institution for purposes of the payment of tax on sales by such
14 institution if the sales are not otherwise exempt.

15 (c)(i) For purposes of the payment of the state sales and use tax and the sales
16 and use tax levied by any political subdivision, "person" shall not include this state,
17 any parish, city and parish, municipality, district, or other political subdivision
18 thereof, or any agency, board, commission, or instrumentality of this state or its
19 political subdivisions.

20 (ii) Upon request by any political subdivision for an exemption identification
21 number, the Department of Revenue shall issue such number. The secretary may
22 promulgate rules and regulations in accordance with the Administrative Procedure
23 Act to carry out the provisions of this Item.

24 (d)(i) For purposes of the payment of the state sales and use tax and the sales
25 and use tax levied by any political subdivision, the term "person" shall not include
26 a church or synagogue that is recognized by the United States Internal Revenue
27 Service as entitled to exemption under Section 501(c)(3) of the United States Internal
28 Revenue Code.

1 (ii) The secretary of the Department of Revenue shall promulgate rules and
2 regulations defining the terms "church" and "synagogue" for purposes of this
3 exclusion. The definitions shall be consistent with the criteria established by the
4 U.S. Internal Revenue Service in identifying organizations that qualify for church
5 status for federal income tax purposes.

6 (iii) No church or synagogue shall claim exemption or exclusion from the
7 state sales and use tax or the sales and use tax levied by any political subdivision
8 before having obtained a certificate of authorization from the secretary of the
9 Department of Revenue. The secretary shall develop applications for such
10 certificates. The certificates shall be issued without charge to the institutions that
11 qualify.

12 (iv) The exclusion from the sales and use tax authorized by this
13 Subparagraph shall apply only to purchases of bibles, song books, or literature used
14 for religious instruction classes.

15 (e)(i) For purposes of the payment of the state sales and use tax and the sales
16 and use tax levied by any political subdivision, the term "person" shall not include
17 the Society of the Little Sisters of the Poor.

18 (ii) The secretary of the Department of Revenue shall promulgate rules and
19 regulations for purposes of this exclusion. The definitions shall be consistent with
20 the criteria established by the U.S. Internal Revenue Service in identifying tax-
21 exempt status for federal income tax purposes.

22 (iii) No member of the Society of the Little Sisters of the Poor shall claim
23 exemption or exclusion from the state sales and use tax or the sales and use tax
24 levied by any political subdivision before having obtained a certificate of
25 authorization from the secretary of the Department of Revenue. The secretary shall
26 develop applications for such certificates. The certificates shall be issued without
27 charge to the entities which qualify.

28 (f)(i) For purposes of the payment of sales and use tax levied by this state
29 and any political subdivision whose boundaries are coterminous with those of the

1 state, the term "person" shall not include a nonprofit entity which sells donated goods
2 and spends seventy-five percent or more of its revenues on directly employing or
3 training for employment persons with disabilities or workplace disadvantages.

4 (ii) The secretary shall promulgate rules and regulations for the use of
5 exclusion certificates for purposes of implementation of this Subparagraph. Each
6 nonprofit entity electing to utilize the exclusion provided for in this Subparagraph
7 shall apply for an exclusion certificate annually. Any exclusion certificate granted
8 by the Department of Revenue shall be effective for a one-year period.

9 (iii) The secretary shall provide forms for nonprofit entities to request an
10 exclusion certificate.

11 (9) "Purchaser" means and includes any person who acquires or receives any
12 tangible personal property, or the privilege of using any tangible personal property,
13 or receives any services pursuant to a transaction subject to tax under this Chapter.

14 (10)(a)(i) Solely for the purposes of the imposition of the state sales and use
15 tax, "retail sale" or "sale at retail" means a sale to a consumer or to any other person
16 for any purpose other than for resale as tangible personal property, or for the lease
17 of automobiles in an arm's length transaction, and shall mean and include all such
18 transactions as the secretary, upon investigation, finds to be in lieu of sales; provided
19 that sales for resale or for lease of automobiles in an arm's length transaction must
20 be made in strict compliance with the rules and regulations. Any dealer making a
21 sale for resale or for the lease of automobiles, which is not in strict compliance with
22 the rules and regulations, shall himself be liable for and pay the tax.

23 (ii) Solely for purposes of the imposition of the sales and use tax levied by
24 a political subdivision or school board, "retail sale" or "sale at retail" shall mean a
25 sale to a consumer or to any other person for any purpose other than for resale in the
26 form of tangible personal property, or resale of those services defined in Paragraph
27 (14) of this Section provided the retail sale of the service is subject to sales tax in this
28 state, and shall mean and include all such transactions as the collector, upon
29 investigation, finds to be in lieu of sales; provided that sales for resale be made in

1 strict compliance with the rules and regulations. Any dealer making a sale for resale,
2 which is not in strict compliance with the rules and regulations shall himself be liable
3 for and pay the tax. A local collector shall accept a resale certificate issued by the
4 Department of Revenue, provided the taxpayer includes the parish of its principal
5 place of business and local sales tax account number on the state certificate.
6 However, in the case of an intra-parish transaction from dealer to dealer, the
7 collector may require that the local exemption certificate be used in lieu of the state
8 certificate. The department shall accommodate the inclusion of such information on
9 its resale certificate for such purposes.

10 (iii) "Retail sale" or "sale at retail" for purposes of sales and use taxes
11 imposed by the state tax on transactions involving the sale for rental of automobiles
12 which take place on or after January 1, 1991, and by political subdivisions on such
13 transactions on or after July 1, 1996, and state sales and use taxes imposed tax on
14 transactions involving the lease or rental of tangible personal property other than
15 automobiles which take place on or after July 1, 1991, means a sale to a consumer
16 or to any other person for any purpose other than for resale as tangible personal
17 property, or for lease or rental in an arm's length transaction in the form of tangible
18 personal property, and shall mean and include all such transactions as the secretary,
19 upon investigation, finds to be in lieu of sales; provided that sales for resale or for
20 lease or rental in an arm's length transaction must be made in strict compliance with
21 the rules and regulations. Any dealer making a sale for resale or for lease or rental,
22 which is not in strict compliance with the rules and regulations, shall himself be
23 liable for and pay the tax. For purposes of the imposition of the tax imposed by any
24 political subdivision of the state, for the period beginning on July 1, 1999, and
25 ending on June 30, 2000, the term "retail sale" or "sale at retail" shall not include
26 one-fourth of the sales price of any tangible personal property which is sold in order
27 to be leased or rented in an arm's length transaction in the form of tangible personal
28 property. For purposes of the imposition of the tax imposed by any political
29 subdivision of the state, for the period beginning on July 1, 2000, and ending on June

1 30, 2001, the term "retail sale" or "sale at retail" shall not include one-half of the
2 sales price of any tangible personal property which is sold in order to be leased or
3 rented in an arm's length transaction in the form of tangible personal property. For
4 purposes of the imposition of the tax imposed by any political subdivision of the
5 state, for the period beginning on July 1, 2001, and ending on June 30, 2002, the
6 term "retail sale" or "sale at retail" shall not include three-fourths of the sales price
7 of any tangible personal property which is sold in order to be leased or rented in an
8 arm's length transaction in the form of tangible personal property. Beginning July
9 1, 2002, for the purposes of imposition of the tax levied by any political subdivision
10 of the state, the term "retail sale" or "sale at retail" shall not include the sale of any
11 tangible personal property which is sold in order to be leased or rented in an arm's
12 length transaction in the form of tangible personal property.

13 (iv) "Retail sale" or "sale at retail", for purposes of sales and use taxes
14 imposed by the state on transactions involving the sale for rental of automobiles
15 which take place prior to January 1, 1991, and by political subdivisions on such
16 transactions prior to July 1, 1996, and imposed on transactions involving the lease
17 or rental of tangible personal property other than autos which take place prior to July
18 1, 1991, and for purposes of local sales and use taxes levied by political subdivisions
19 except for transactions involving the sale for rental of automobiles on or after July
20 1, 1996, means a sale to a consumer or to any other person for any purpose other
21 than for resale in the form of tangible personal property, and shall mean and include
22 all such transactions as the secretary, upon investigation, finds to be in lieu of sales;
23 provided that sales for resale must be made in strict compliance with the rules and
24 regulations. Any dealer making a sale for resale, which is not in strict compliance
25 with the rules and regulations, shall himself be liable for and pay the tax. However,
26 contrary provisions of law notwithstanding, any political subdivision may, by
27 ordinance, adopt the definition of "retail sale" or "sale at retail" provided in Item (iii)
28 of this Subparagraph for purposes of the imposition of its sales and use tax.

29 (v) Became null and void on June 30, 2006.

1 (vi) Solely for purposes of the payment of state sales and use tax, until
2 January 1, 2007, the term "sale at retail" shall not include purchases made in
3 connection with the filming or production of a motion picture by a motion picture
4 production company which has been relieved from the payment of state sales and use
5 tax under the provisions of Chapter 12 of Subtitle II of this Title, also known as the
6 "Louisiana Motion Picture Incentive Act". This exclusion shall be retroactively
7 revoked if it is determined that a motion picture production company that has been
8 relieved from payment of state sales and use tax under Chapter 12 failed to meet the
9 conditions of such relief.

10 (b)(i) Solely for purposes of the sales and use tax levied by the state, the sale
11 of tangible personal property to a dealer who purchases said property for resale
12 through coin-operated vending machines shall be considered a "sale at retail", subject
13 to such tax. The subsequent resale of the property by the dealer through
14 coin-operated vending machines shall not be considered a "sale at retail".

15 (ii) Solely for purposes of the sales and use tax levied by political
16 subdivisions, the term "sale at retail" shall include the sale of tangible personal
17 property by a dealer through coin-operated vending machines.

18 (c)(i)(aa) The term "sale at retail" does not include sale of materials for
19 further processing into articles of tangible personal property for sale at retail.

20 (bb) Solely for purposes of the sales and use tax levied by the state under
21 R.S. 47:302 and 331, natural gas when used in the production of iron in the process
22 known as the "direct reduced iron process" is not a catalyst and is recognized by the
23 legislature to be a material for further processing into an article of tangible personal
24 property for sale at retail.

25 (ii)(aa) Solely for purposes of the sales and use tax levied by the state under
26 R.S. 47:302 and 331, the term "sale at retail" does not include sales of electricity for
27 chlor-alkali manufacturing processes.

28 (bb) The term "sale at retail" does not include an isolated or occasional sale
29 of tangible personal property by a person not engaged in such business.

1 (d) The term "sale at retail" does not include the sale of any human tissue
2 transplants, which shall be defined to include all human organs, bone, skin, cornea,
3 blood, or blood products transplanted from one individual into another recipient
4 individual.

5 (e) The term "sale at retail" does not include the sale of raw agricultural
6 commodities, including but not limited to feed, seed, and fertilizer, to be utilized in
7 preparing, finishing, manufacturing, or producing crops or animals for market. The
8 Department of Agriculture and Forestry may develop and promulgate guidelines to
9 determine who meets this definition. Any person meeting such guidelines shall
10 receive a certificate from the Department of Agriculture and Forestry indicating that
11 such person is eligible to purchase such items without paying tax thereon.

12 (f) Notwithstanding any other law to the contrary, for purposes of the
13 imposition of the sales and use tax of any political subdivision, the sale of a vehicle
14 subject to the Vehicle Registration License Tax Law (R.S. 47:451 et seq.) shall be
15 deemed to be a "retail sale" or a "sale at retail":

16 (i) In the political subdivision of the principal residence of the purchaser if
17 the vehicle is purchased for private use, or

18 (ii) In the political subdivision of the principal location of the business if the
19 vehicle is purchased for commercial use, unless the vehicle purchased for
20 commercial use is assigned, garaged, and used outside of such political subdivision,
21 in which case the sale shall be deemed a "retail sale" or a "sale at retail" in the
22 political subdivision where the vehicle is assigned, garaged, and used.

23 (g) The term "retail sale" does not include a sale of corporeal movable
24 property which is intended for future sale to the United States government or its
25 agencies, when title to such property is transferred to the United States government
26 or its agencies prior to the incorporation of that property into a final product.

27 (h) The term "sale at retail" does not include the sale of food items by youth
28 serving organizations chartered by congress.

1 (i) The term "sale at retail", for purposes of the state sales and use tax
2 imposed by the state under R.S. 47:302 and 331, does not include the purchase of a
3 new school bus or a used school bus which is less than five years old by an
4 independent operator, when such bus is to be used exclusively in a public school
5 system. This exclusion shall apply to all sales and use taxes levied by any local
6 political subdivision.

7 (j) The term "sale at retail" does not include the sale of tangible personal
8 property to food banks, as defined in R.S. 9:2799.

9 (k) ~~The~~ For purposes of the sales and use tax imposed by the state under R.S.
10 47:302 and 331 and any sales and use tax imposed by a political subdivision, the
11 term "sale at retail" shall not include the sale of airplanes or airplane equipment or
12 parts to a commuter airline domiciled in Louisiana.

13 (l) Solely for purposes of the state sales and use tax imposed under R.S.
14 47:302 and 331, the term "sale at retail" shall not include the sale of a pollution
15 control device or system. Pollution control device or system shall mean any tangible
16 personal property approved by the Department of Revenue and the Department of
17 Environmental Quality and sold or leased and used or intended for the purpose of
18 eliminating, preventing, treating, or reducing the volume or toxicity or potential
19 hazards of industrial pollution of air, water, groundwater, noise, solid waste, or
20 hazardous waste in the state of Louisiana. For the purposes of any sales and use tax
21 levied by a political subdivision, the term "sale at retail" shall include the sale of a
22 pollution control device or system. In order to qualify, the pollution control device
23 or system must demonstrate either: a net decrease in the volume or toxicity or
24 potential hazards of pollution as a result of the installation of the device or system;
25 or that installation is necessary to comply with federal or state environmental laws
26 or regulations.

27 (m) For purposes of sales and use taxes imposed or levied by the state under
28 R.S. 47:302 and 331 or any political subdivision, the term "sale at retail" shall not
29 include the sales of Louisiana-manufactured or Louisiana-assembled passenger

1 aircraft with a maximum capacity of eight persons, if, after all transportation,
2 including transportation by the purchaser, has been completed, the aircraft is
3 ultimately received by the purchaser outside of Louisiana. The place at which the
4 aircraft is ultimately received shall be considered as the place at which the aircraft
5 is stored after all transportation has been completed.

6 (n) For purposes of sales and use taxes imposed or levied by the state under
7 R.S. 47:302 and 331 or any political subdivision thereof, the term "sale at retail"
8 shall not include the sales of pelletized paper waste when purchased for use as
9 combustible fuel by an electric utility or in an industrial manufacturing, processing,
10 compounding, reuse, or production process, including the generation of electricity
11 or process steam, at a fixed location in this state. However, such sale shall not be
12 excluded unless the purchaser has signed a certificate stating that the fuel purchased
13 is for the exclusive use designated herein. For purposes of this Subparagraph,
14 "pelletized paper waste" means pellets produced from discarded waste paper that has
15 been diverted or removed from solid waste which is not marketable for recycling and
16 which is wetted, extruded, shredded, or formulated into compact pellets of various
17 sizes for use as a supplemental fuel in a permitted boiler.

18 (o) For the purposes of sales and use taxes imposed or levied by the state or
19 any local governmental subdivision or school board, the term "sale at retail" shall not
20 include the sale or purchase of equipment used in fire fighting by bona fide volunteer
21 and public fire departments.

22 (p) For purposes of state and political subdivision sales and use tax, the term
23 "sale at retail" shall not include the sale of items, including but not limited to
24 supplies and equipment, or the sale of services as provided in this Section, which are
25 reasonably necessary for the operation of free hospitals.

26 (q) For purposes of ~~state and political subdivision sales and use tax~~ sales and
27 use tax imposed by the state under R.S. 47:302 and 331, the term "sale at retail" shall
28 not include:

1 (i) The sale of tangible personal property by approved parochial and private
2 elementary and secondary schools which comply with the court order from the Dodd
3 Brumfield decision and Section 501(c)(3) of the Internal Revenue Code, or students,
4 administrators, or teachers, or other employees of the school, if the money from such
5 sales, less reasonable and necessary expenses associated with the sale, is used solely
6 and exclusively to support the school or its program or curricula. This exclusion
7 shall not be construed to allow tax-free sales to students or their families by
8 promoters or regular commercial dealers through the use of schools, school faculty,
9 or school facilities.

10 (ii) The sale to approved parochial and private elementary and secondary
11 schools which comply with the court order from the Dodd Brumfield decision and
12 Section 501(c)(3) of the Internal Revenue Code of educational materials or
13 equipment used for classroom instruction limited to books, workbooks, computers,
14 computer software, films, videos, and audio tapes.

15 (r) For purposes of state and political subdivision sales and use tax, the term
16 "sale at retail" shall not include the sale of tangible personal property to Boys State
17 of Louisiana, Inc. and Girls State of Louisiana, Inc. which is used by such
18 organizations for their educational and public service programs for youth.

19 (s) The term "sale at retail" or "retail sale", for purposes of sales and use
20 taxes imposed by the state or any political subdivision or other taxing entity, shall
21 not include any charge, fee, money, or other consideration received, given, or paid
22 for the performance of funeral directing services. For purposes of this Subparagraph,
23 "funeral directing services" means the operation of a funeral home, or by way of
24 illustration and not limitation, any service whatsoever connected with the
25 management of funerals, or the supervision of hearses or funeral cars, the cleaning
26 or dressing of dead human bodies for burial, and the performance or supervision of
27 any service or act connected with the management of funerals from time of death
28 until the body or bodies are delivered to the cemetery, crematorium, or other agent
29 for the purpose of disposition. However, such services shall not mean or include the

1 sale, lease, rental, or use of any tangible personal property as those terms are defined
2 in this Section.

3 (t) For purposes of sales and use taxes levied by the state under R.S. 47:302
4 and 331 or any political subdivision of the state, the term "sale at retail" shall not
5 include the transfer of title to or possession of telephone directories by an advertising
6 company that is not affiliated with a provider of telephone services if the telephone
7 directories will be distributed free of charge to the recipients of the telephone
8 directories.

9 (u) For purposes of sales and use taxes levied and imposed by local
10 governmental subdivisions, school boards, and other political subdivisions whose
11 boundaries are not coterminous with those of the state, "sale at retail" by a person
12 shall not mean or include the sale of tangible personal property if such sale is made
13 under the provisions of Medicare.

14 (v) For purposes of the imposition of sales and use taxes imposed or levied
15 by all taxing authorities in the state, in the case of the sale or other disposition by a
16 dealer of any cellular, PCS, or wireless telephone, or any electronic accessories that
17 are physically connected with such telephones and personal communication devices
18 used in connection with the sale or use of mobile telecommunications services, the
19 term "retail sale" or "sale at retail" shall mean and include the sale or any other
20 disposition of such cellular, PCS, or wireless telephone, any electronic accessories
21 that are physically connected with such telephones and personal communication
22 devices by the dealer to the purchaser, but shall not mean or include the withdrawal,
23 use, distribution, consumption, storage, donation, or any other disposition of any
24 such cellular, PCS, or wireless telephone, any electronic accessories that are
25 physically connected with such telephones, and personal communication devices by
26 the dealer.

27 (w) For purposes of the imposition of sales and use taxes imposed or levied
28 by any political subdivision of the state, in the case of the sale or other disposition
29 by a dealer of any cellular telephone, PCS telephone, wireless telephone, or other

1 wireless personal communication device that is used in connection with the sale or
2 use of mobile telecommunications services, or any electronic accessory that is
3 physically connected with any such telephone or personal communication device, the
4 term "retail sale" or "sale at retail" shall mean and include the sale or any other
5 disposition of any such telephone, other personal communication device, or
6 electronic accessory.

7 (x) For purposes of the sales and use tax imposed by the state or any political
8 subdivision whose boundaries are coterminous with those of the state, the terms
9 "retail sale" or "sale at retail" shall not include the following:

10 (i) The sale or purchase by a person of any fuel or gas, including but not
11 limited to butane and propane.

12 (ii) Beginning July 1, 2008, the sale or purchase by any person of butane and
13 propane.

14 (y)(i) Solely for the purposes of sales and use taxes levied by the state ~~or any~~
15 ~~political subdivision whose boundaries are coterminous with those of the state~~ under
16 R.S. 47:302 and 331, the term "sale at retail" shall not include the sale of
17 manufacturing machinery and equipment used or consumed in this state to
18 manufacture, produce, or extract unblended biodiesel.

19 (ii) As used in this Subparagraph, the following words and phrases have the
20 meaning ascribed to them:

21 (aa) "Manufacturing machinery and equipment" means tangible property
22 used or consumed, or held for use or consumption, as an integral part of a biodiesel
23 manufacturing, production, or extraction facility, process, or item of equipment.
24 Property shall be considered to be an integral part of such biodiesel manufacturing,
25 production, or extraction facility, process, or item of equipment only if such property
26 is used or consumed directly in the manufacturing, production, or extraction process
27 or is part of, physically attached to, or otherwise directly associated with such
28 property. Property, the installation of which is reasonably necessary for the proper
29 installation, operation, maintenance of property which directly results in such

1 manufacturing, production, or extraction shall be considered as directly associated
2 with such property.

3 (bb) "Unblended biodiesel" means a fuel comprised of mono-alkyl esters of
4 long chain fatty acids derived from vegetable oils or animal fats, designated B100,
5 and meeting the requirements of the definition provided for in D 6751 of the
6 American Society of Testing and Materials (ATDM D 6751), before such fuel is
7 blended with a petroleum-based diesel fuel.

8 ~~(z) Solely for the purposes of sales and use taxes levied by the state or any~~
9 ~~political subdivision whose boundaries are coterminous with those of the state, the~~
10 ~~term "sale at retail" shall not include the sale of any alternative substance when such~~
11 ~~alternative substance is used as a fuel by a manufacturer. "Alternative substance"~~
12 ~~means any substance other than oil and natural gas and any product of oil and natural~~
13 ~~gas. "Alternative substance" shall include petroleum coke, landfill gas, reclaimed~~
14 ~~or waste oil, unblended biodiesel, or tire-derived fuel, but not coal, lignite, refinery~~
15 ~~gas, nuclear fuel, or electricity. "Manufacturer" means a person whose principal~~
16 ~~activity is manufacturing and who is assigned by the Louisiana Workforce~~
17 ~~Commission a North American Industrial Classification System code with the~~
18 ~~agricultural, forestry, fishing, and hunting Sector 11 or the manufacturing Sectors 31-~~
19 ~~33 as they existed in 2002.~~

20 (aa)(i) For purposes of sales and use taxes imposed or levied by the state or
21 any political subdivision of the state, the term "sale at retail" shall not include the
22 sale of toys to a non-profit organization exempt from federal taxation pursuant to
23 Section 501(c)(3) of the Internal Revenue Code if the sole purpose of the purchasing
24 organization is to donate toys to minors and the toys are, in fact, donated.

25 (ii) The exclusion provided in this Subparagraph shall not apply if the
26 donation is intended to ultimately yield a profit to a promoter of the organization or
27 to any individual contracted to provide services or equipment, or both, to the
28 organization.

1 (iii) A certificate of exclusion shall be obtained from the secretary or the tax
2 collector of the political subdivision, under such regulations as he shall prescribe, in
3 order for nonprofit organizations to qualify for the exclusion provided for in this
4 Subparagraph.

5 (bb) For purposes of sales and use taxes imposed or levied by the state under
6 R.S. 47:302 and 331, the terms "retail sale" and "sale at retail" shall not include sales
7 of natural gas to be held, used, or consumed in providing natural gas storage services
8 or operating natural gas storage facilities.

9 (cc) For purposes of the sales and use tax imposed by the state under R.S.
10 47:302 and 331 or any political subdivision of the state, the terms "retail sale" or
11 "sale at retail" shall not mean or include the purchase of textbooks and course-related
12 software by a private postsecondary academic degree-granting institution, accredited
13 by a national or regional commission that is recognized by the United States
14 Department of Education and is licensed by the Board of Regents, which institution
15 has its main location within this state and offers only online instruction, when all of
16 the following apply:

17 (i) The textbooks and course-related software are physically outside of this
18 state when purchased from a vendor outside of this state and then imported into this
19 state.

20 (ii) The first student use of the textbooks and course-related software occurs
21 outside of this state.

22 (iii) The textbooks and course-related software are provided to the student
23 free of charge.

24 (dd) For purposes of sales and use taxes imposed or levied by the state under
25 R.S. 47:302 and 331, the terms "retail sale" or "sale at retail" shall not include the
26 purchase of food items for school lunch or breakfast programs by nonpublic
27 elementary or secondary schools which participate in the National School Lunch and
28 School Breakfast programs or the purchase of food items by nonprofit corporations

1 which serve students in nonpublic elementary or secondary schools and which
2 participate in the National School Lunch and School Breakfast programs.

3 (ee)(i) Solely for the purposes of the imposition of the state sales and use tax
4 imposed under R.S. 47:302 and 331, the term "retail sale" and "sale at retail" shall
5 not include the sale of any storm shutter device.

6 (ii) As used in this Subparagraph, "storm shutter device" means materials
7 and products manufactured, rated, and marketed specifically for the purpose of
8 preventing window damage from storms.

9 (iii) The secretary of the Department of Revenue, in consultation with the
10 Department of Insurance, shall promulgate such rules and regulations in accordance
11 with the Administrative Procedure Act as may be necessary to carry out the
12 provisions of this Subparagraph.

13 (ff) For purposes of sales taxes imposed by the state under R.S. 47:302 and
14 331 or any political subdivision of the state, the term "retail sale" or "sale at retail"
15 shall not include sales of tangible personal property by the Military Department, state
16 of Louisiana, which occur on an installation or other property owned or operated by
17 the Military Department.

18 (gg) For purposes of sales and use tax imposed by the state under R.S.
19 47:302 and 331 or any political subdivision of the state, the term "sale at retail" shall
20 not include the sale of anthropogenic carbon dioxide for use in a qualified tertiary
21 recovery project approved by the assistant secretary of the office of conservation of
22 the Department of Natural Resources pursuant to R.S. 47:633.4.

23 (hh) For purposes of sales and use tax imposed by the state under R.S.
24 47:302 and 331, ~~any political subdivision whose boundaries are coterminous with~~
25 ~~those of the state~~, or any other political subdivision, the term "sale at retail" shall not
26 include the sale of tangible personal property at an event providing Louisiana
27 heritage, culture, crafts, art, food, and music which is sponsored by a domestic
28 nonprofit organization that is exempt from tax under Section 501(c)(3) of the
29 Internal Revenue Code. The provisions of this Subparagraph shall apply only to an

1 event which transpires over a minimum of seven but not more than twelve days and
2 has a five-year annual average attendance of at least three hundred thousand over the
3 duration of the event. For purposes of determining the five-year annual average
4 attendance, the calculation shall include the total annual attendance for each of the
5 five most recent years. The provisions of this Subparagraph shall apply only to sales
6 by the sponsor of the event.

7 * * *

8 (13)(a) "Sales price" means the total amount for which tangible personal
9 property is sold, less the market value of any article traded in including any services,
10 except services for financing, that are a part of the sale valued in money, whether
11 paid in money or otherwise, and includes the cost of materials used, labor or service
12 costs, except costs for financing which shall not exceed the legal interest rate and a
13 service charge not to exceed six percent of the amount financed, and losses; provided
14 that cash discounts allowed and taken on sales shall not be included, nor shall the
15 sales price include the amount charged for labor or services rendered in installing,
16 applying, remodeling, or repairing property sold.

17 (b) The term "sales price" shall not include any amount designated as a cash
18 discount or a rebate by the vendor or manufacturer of any new vehicle subject to the
19 motor vehicle license tax. For purposes of this Paragraph "rebate" means any
20 amount offered by a vendor or manufacturer as a deduction from the listed retail
21 price of the vehicle.

22 (c) "Sales price", shall not include the first fifty thousand dollars of the sale
23 price of new farm equipment used in poultry production.

24 (d) Notwithstanding any other provision of law to the contrary, for purposes
25 ~~of state and political subdivision sales and use tax~~ state sales and use tax imposed
26 under R.S. 47:302 and 331 and the sales and use tax imposed by any political
27 subdivision, the "sales price" of refinery gas, except for feedstock, not ultimately
28 consumed as an energy source by the person who owns the facility in which the
29 refinery gas is created as provided for in Subparagraph (18)(d) of this Section, but

1 sold to another person, whether at retail or wholesale, shall be fifty-two cents per
2 thousand cubic feet multiplied by a fraction the numerator of which shall be the
3 posted price for a barrel of West Texas Intermediate Crude Oil on December first of
4 the preceding calendar year and the denominator of which shall be twenty-nine
5 dollars, and provided further that such sales price shall be the maximum value placed
6 upon refinery gas by the state and by any political subdivision under any authority
7 or grant of power to levy and collect sales or use taxes, and such sale shall be
8 taxable.

9 (e) The term "sales price", for purposes of the sales tax imposed by the state
10 under R.S. 47:302 and 331 and by any of its political subdivisions, shall exclude any
11 amount that a manufacturer pays directly to a dealer of the manufacturer's product
12 for the purpose of reducing and that actually results in an equivalent reduction in the
13 retail "sales price" of that product. This exclusion shall not apply to the value of the
14 manufacturer's coupons that dealers accept from purchasers as part payment of the
15 "sales price" and that are redeemable by the dealers through manufacturers or their
16 agents. The value of such coupons is deemed to be part of the "sales price" of the
17 product purchased through the use of the coupons.

18 (f) The term "sales price" shall exclude any charge, fee, money, or other
19 consideration received, given, or paid for the performance of funeral directing
20 services as defined in Subparagraph (10)(s) of this Section.

21 (g) For purposes of the imposition of sales and use taxes imposed or levied
22 by all taxing authorities in the state, in the case of the retail sale by a dealer of any
23 cellular, PCS, or wireless telephone, any electronic accessories that are physically
24 connected with such telephones and personal communications devices used in
25 connection with the sale or use of mobile telecommunications services, as defined
26 in R.S. 47:301(10)(v), the term "sales price" shall mean and include only the amount
27 of money, if any, actually received by the dealer from the purchaser for each such
28 cellular, PCS, or wireless telephone and any electronic accessories that are physically
29 connected with such telephones and personal communication devices, but shall not

1 include (i) any amount received by the dealer from the purchaser for providing
2 mobile telecommunications services, or (ii) any commissions, fees, rebates, or other
3 amounts received by the dealer from any source other than the purchaser as a result
4 of or in connection with the sale of the cellular, PCS, or wireless telephone, any
5 electronic accessories that are physically connected with such telephones and
6 personal communication devices.

7 (h) For the purpose of the imposition of sales and use tax imposed or levied
8 by all taxing authorities in the state of any cellular, PCS, or wireless telephone used
9 in connection with the sale or use of mobile telecommunications services, as defined
10 in R.S. 47:301(10)(v), after January 1, 2002, the term "sales price" shall mean and
11 include the greater of (i) the amount of money actually received by the dealer from
12 the purchaser for each such telephone, or (ii) twenty-five percent of the cost of such
13 telephone to the dealer, but shall not include any amount received by the dealer from
14 the purchaser for providing mobile telecommunications services or any
15 commissions, fees, rebates, or other amounts received by the dealer from any source
16 other than the purchaser as a result of or in connection with the sale of the telephone.

17 (i)(i) For purposes of a publishing business which distributes its news
18 publications at no cost to readers and pays unrelated third parties to print such news
19 publications, the term "sales price" shall mean only the lesser of the following costs:

20 (aa) The printing cost paid to unrelated third parties to print such news
21 publications, less any itemized freight charges for shipping the news publications
22 from the printer to the publishing business and any itemized charges for paper and
23 ink.

24 (bb) Payments to a dealer or distributor as consideration for distribution of
25 the news publications.

26 (ii) The definition of "sales price" provided for in this Subparagraph shall be
27 applicable to taxes levied by all tax authorities in the state.

28 (j) For the purpose of the imposition of sales and use tax imposed or levied
29 by any political subdivision of the state, in the case of any retail sale or sale at retail,

1 of any cellular telephone, PCS telephone, or wireless telephone used in connection
2 with the sale or use of mobile telecommunications services, as defined in R.S.
3 47:301(10)(w), or any electronic accessory that is physically connected with any
4 such telephone or personal communication device, the term "sales price" shall mean
5 and include the greater of (i) the amount of money, if any, actually received by the
6 dealer from the purchaser at the time of the retail sale or sale at retail by the dealer
7 to the purchaser for each such telephone, personal communication device, or
8 electronic accessory, or (ii) twenty-five percent of the cost of such telephone to the
9 dealer, but shall not include any amount received by the dealer from the purchaser
10 for providing mobile telecommunications services or any commissions, fees, rebates,
11 activation charges, or other amounts received by the dealer from any source other
12 than the purchaser as a result of or in connection with the sale of the telephone.

13 (k)(i) For purposes of the imposition of the sales tax levied by the state under
14 R.S. 47:302 and 331 ~~and any political subdivision whose boundaries are coterminous~~
15 ~~with those of the state~~, the sales price of machinery and equipment purchased by a
16 manufacturer for use in a plant facility predominately and directly in the actual
17 manufacturing for agricultural purposes or the actual manufacturing process of an
18 item of tangible personal property, which is for ultimate sale to another and not for
19 internal use, at one or more fixed locations within Louisiana shall be reduced as
20 follows:

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

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

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

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

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

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

5 (ii) For purposes of this Subparagraph, "machinery and equipment",
6 "manufacturer", "manufacturing", "manufacturing for agricultural purposes", "plant
7 facility", and "used directly" shall have the same meaning as defined in R.S.
8 47:301(3)(i)(ii).

9 (iii) No person shall be entitled to purchase, use, lease, or rent machinery or
10 equipment as defined herein without payment of the tax imposed by R.S. 47:302,
11 ~~321~~, and 331 before receiving a certificate of exclusion from the secretary of the
12 Department of Revenue certifying that he is a manufacturer as defined ~~herein~~: in this
13 Section.

14 (iv) The secretary of the Department of Revenue is hereby authorized to
15 adopt rules and regulations in order to administer the exclusion provided for in this
16 Subparagraph.

17 (l)(i) For purposes of the payment of the state sales and use tax imposed
18 under R.S. 47:302 and 331 and the sales and use tax levied by any political
19 subdivision, the term "sales price" shall not include the price of specialty items sold
20 to members for fund-raising purposes by nonprofit carnival organizations domiciled
21 within Louisiana and participating in a parade sponsored by a carnival organization.

22 (ii) The secretary of the Department of Revenue shall promulgate rules and
23 regulations for purposes of this exclusion.

24 (iii) No nonprofit carnival organization domiciled within Louisiana and
25 participating in a parade sponsored by a carnival organization shall claim exemption
26 or exclusion from the state sales and use tax or the sales and use tax levied by any
27 political subdivision before having obtained a certificate of authorization from the
28 secretary of the Department of Revenue. The secretary shall develop applications

1 for such certificates. The certificates shall be issued without charge to the entities
2 which qualify.

3 (m) For purposes of the sales and use tax imposed by the state under R.S.
4 47:302 and 331 ~~or any political subdivision whose boundaries are coterminous with~~
5 ~~those of the state~~, the "sales price" of electric power or energy, or natural gas for the
6 period beginning July 1, 2007, and thereafter, sold for use by paper or wood products
7 manufacturing facilities shall not include any of such price.

8 (14) "Sales of services" means and includes the following:

9 (a) The furnishing of sleeping rooms, cottages or cabins by hotels.

10 (b)(i) The sale of admissions to places of amusement, to athletic
11 entertainment other than that of schools, colleges, and universities, and recreational
12 events, and the furnishing, for dues, fees, or other consideration of the privilege of
13 access to clubs or the privilege of having access to or the use of amusement,
14 entertainment, athletic, or recreational facilities; but for purposes of the state sales and
15 use tax imposed under R.S. 47:302 and 331 and any sales and use tax imposed by any
16 political subdivision, the term "sales of services" shall not include membership fees
17 or dues of nonprofit, civic organizations, including by way of illustration and not of
18 limitation the Young Men's Christian Association, the Catholic Youth Organization,
19 and the Young Women's Christian Association.

20 (ii) ~~Places~~ For purposes of the state sales and use tax imposed under R.S.
21 47:302 and 331 and any sales and use tax imposed by any political subdivision, places
22 of amusement shall not include "museums", which are hereby defined as public or
23 private nonprofit institutions which are organized on a permanent basis for essentially
24 educational or aesthetic purposes and which use professional staff to do all of the
25 following:

26 (aa) Own or use tangible objects, whether animate or inanimate.

27 (bb) Care for those objects.

28 (cc) Exhibit them to the public on a regular basis.

29 (iii) Museums include but are not limited to the following institutions:

1 (aa) Museums relating to art, history, including historic buildings, natural
2 history, science, and technology.

3 (bb) Aquariums and zoological parks.

4 (cc) Botanical gardens and arboretums.

5 (dd) Nature centers.

6 (ee) Planetariums.

7 (iv) For purposes of the sales and use taxes ~~of all tax authorities in the state~~
8 imposed by the state under R.S. 47:302 and 331 and any sales and use tax imposed
9 by any political subdivision, the term "places of amusement" as used herein shall not
10 include camp and retreat facilities owned and operated by nonprofit organizations
11 exempt from federal income tax under Section 501(a) of the Internal Revenue Code
12 as an organization described in Section 501(c)(3) of the Internal Revenue Code
13 provided that the net revenue derived from the organization's property is devoted
14 wholly to the nonprofit organization's purposes.

15 (c) The furnishing of storage or parking privileges by auto hotels and parking
16 lots.

17 (d) The furnishing of printing or overprinting, lithographic, multilith, blue
18 printing, photostating or other similar services of reproducing written or graphic
19 matter.

20 (e) The furnishing of laundry, cleaning, pressing and dyeing services,
21 including by way of extension and not of limitation, the cleaning and renovation of
22 clothing, furs, furniture, carpets and rugs, and the furnishing of storage space for
23 clothing, furs, and rugs. The service shall be taxable at the location where the
24 laundered, cleaned, pressed, or dyed article is returned to the customer.

25 (f) The furnishing of cold storage space, except that space which is furnished
26 pursuant to a bailment arrangement, and the furnishing of the service of preparing
27 tangible personal property for cold storage where such service is incidental to the
28 operation of storage facilities.

1 (g)(i)(aa) The furnishing of repairs to tangible personal property, including
2 but not restricted to the repair and servicing of automobiles and other vehicles,
3 electrical and mechanical appliances and equipment, watches, jewelry, refrigerators,
4 radios, shoes, and office appliances and equipment.

5 (bb)(I) For purposes of the sales and use tax levied by the state under R.S.
6 47:302 and 331 and by tax authorities in East Feliciana Parish, charges for the
7 furnishing of repairs to tangible personal property shall be excluded from sales of
8 services, as defined in this Subparagraph, when the repaired property is (1) delivered
9 to a common carrier or to the United States Post Office for transportation outside the
10 state, or (2) delivered outside the state by use of the repair dealer's own vehicle or by
11 use of an independent trucker. However, as to aircraft, delivery may be by the best
12 available means. This exclusion shall not apply to sales and use taxes levied by any
13 other parish, municipality or school board. However, any other parish, municipality
14 or school board may apply the exclusion as defined in this Subparagraph to sales or
15 use taxes levied by any such parish, municipality, or school board. Offshore areas
16 shall not be considered another state for the purpose of this Subparagraph.

17 (II) For purposes of the sales and use tax levied by the tax authorities in
18 Calcasieu Parish, charges for the furnishing of repairs to aircraft shall be excluded
19 from sales of services, as defined in this Subparagraph, provided that the repairs are
20 performed at an airport with a runway that is at least ten thousand feet long, one
21 hundred sixty feet wide, and fourteen inches thick.

22 (ii) For the purposes of this Subparagraph, tangible personal property shall
23 include machinery, appliances, and equipment which have been declared immovable
24 by declaration under the provisions of Article 467 of the Louisiana Civil Code, and
25 things which have been separated from land, buildings, or other constructions
26 permanently attached to the ground or their component parts as defined in Article 466
27 of the Civil Code.

28 (iii)(aa) For purposes of the sales and use taxes imposed by the state under
29 R.S. 47:302 and 331 or any of its political subdivisions, sale of services shall not

1 include the labor, or sale of materials, services, and supplies, used for the repairing,
2 renovating, or converting of any drilling rig, or machinery and equipment which are
3 component parts thereof, which is used exclusively for the exploration or
4 development of minerals outside the territorial limits of the state in Outer Continental
5 Shelf waters.

6 (bb) For the purposes of this Subitem, "drilling rig" means any unit or
7 structure, along with its component parts, which is used primarily for drilling,
8 workover, intervention or remediation of wells used for exploration or development
9 of minerals and "component parts" means any machinery or equipment necessary for
10 a drilling rig to perform its exclusive function of exploration or development of
11 minerals.

12 (h) ~~The~~ For purposes of the sales and use tax imposed by the state under R.S.
13 47:302 and 331 and any sales and use tax imposed by a political subdivision, the term
14 "sale of service" shall not include an action performed pursuant to a contract with the
15 United States Department of the Navy for construction or overhaul of U.S. Naval
16 vessels.

17 (i) Solely for purposes of the sales and use tax levied by the state, the
18 furnishing of telecommunications services for compensation, in accordance with the
19 provisions of R.S. 47:301.1. Local political subdivisions are prohibited from levying
20 a sales and use tax on telecommunications services not in effect on July 1, 1990,
21 provided, however, that the provisions of this Subparagraph shall not be construed to
22 prohibit the levy or collection of any franchise, excise, gross receipts, or similar tax
23 or assessment by any political subdivision of the state as defined in Article VI,
24 Section 44(2) of the Constitution of Louisiana.

25 (j) Notwithstanding any provision of law to the contrary, for purposes of sales
26 or use taxation by the state or any local political subdivision, the term "sales of
27 services" shall not mean or include any funeral directing services as defined in
28 Subparagraph (10)(s) of this Section. Subject to approval by the House Committee on

1 Ways and Means and the Senate Committee on Revenue and Fiscal Affairs, the state
2 Department of Revenue shall devise a formula for the calculation of the tax.

3 (k) For purposes of sales and use tax imposed by the state under R.S. 47:302
4 and 331, any political subdivision whose boundaries are coterminous with those of
5 the state, or any other political subdivision, the term "sales of services" shall not mean
6 or include admission charges for, outside gate admissions to, or parking fees
7 associated with an event providing Louisiana heritage, culture, crafts, art, food, and
8 music which is sponsored by a domestic nonprofit organization that is exempt from
9 tax under Section 501(c)(3) of the Internal Revenue Code. The provisions of this
10 Subparagraph shall apply only to an event which transpires over a minimum of seven
11 but not more than twelve days and has a five-year annual average attendance of at
12 least three hundred thousand over the duration of the event. For purposes of
13 determining the five-year annual average attendance, the calculation shall include the
14 total annual attendance for each of the five most recent years. The provisions of this
15 Subparagraph shall apply only to admission charges for, outside gate admissions to,
16 or parking fees associated with an event when the charges and fees are payable to or
17 for the benefit of the sponsor of the event.

18 (15) "Storage" means and includes any keeping or retention in the taxing
19 jurisdiction of tangible personal property for use or consumption within the taxing
20 jurisdiction or for any purpose other than for sale at retail in the regular course of
21 business.

22 (16)(a) "Tangible personal property" means and includes personal property
23 which may be seen, weighed, measured, felt or touched, or is in any other manner
24 perceptible to the senses.

25 (b) The term "tangible personal property" shall not include:

26 (i) Stocks, bonds, notes, or other obligations or securities.

27 (ii) ~~Gold~~ Solely for purposes of the sales and use tax imposed by the state
28 under R.S. 47:302 and 331 and any sales and use tax imposed by a political
29 subdivision, gold, silver, or numismatic coins, or platinum, gold, or silver bullion.

1 (iii) ~~Proprietary~~ Solely for purposes of the sales and use tax imposed by the
2 state under R.S. 47:302 and 331 and any sales and use tax imposed by a political
3 subdivision, proprietary geophysical survey information or geophysical data analysis
4 furnished under a restricted use agreement even though transferred in the form of
5 tangible personal property.

6 (c) The term "tangible personal property" shall not include the repair of a
7 vehicle by a licensed motor vehicle dealer which is performed subsequent to the lapse
8 of the applicable warranty on that vehicle and at no charge to the owner of the
9 vehicle. For the purpose of assessing a sales and use tax on this transaction, no
10 valuation shall be assigned to the services performed or the parts used in the repair.

11 (d)(i) Notwithstanding any provision of law to the contrary and solely for
12 purposes of state sales and use tax, any sale of a prepaid calling service or prepaid
13 wireless calling service, or both, shall be deemed to be the sale of tangible personal
14 property.

15 (ii) Prepaid calling services and prepaid wireless calling services shall be
16 subject to the tax imposed by this Chapter if the sale takes place in this state. If the
17 customer physically purchases a prepaid calling service or prepaid wireless calling
18 service at the vendor's place of business, the sale is deemed to take place at the
19 vendor's place of business. If the customer does not physically purchase the service
20 at the vendor's place of business, the sale of a prepaid calling service or prepaid
21 wireless calling service is deemed to take place at the first of the following locations
22 that applies to the sale:

23 (aa) The customer's shipping address, if the sale involves a shipment.

24 (bb) The customer's billing address.

25 (cc) Any other address of the customer that is known by the vendor.

26 (dd) The address of the vendor or, alternatively in the case of a prepaid
27 wireless calling service, the location associated with the mobile telephone number.

28 (e) The term "tangible personal property" shall not include work products
29 which are written on paper, stored on magnetic or optical media, or transmitted by

1 electronic device, when such work products are created in the normal course of
2 business by any person licensed or regulated by the provisions of Title 37 of the
3 Louisiana Revised Statutes of 1950, unless such work products are duplicated without
4 modification for sale to multiple purchasers. This exclusion shall not apply to work
5 products which consist of the creation, modification, updating, or licensing of
6 computer software.

7 (f) The term "tangible personal property" shall not include pharmaceuticals
8 administered to livestock used for agricultural purposes, except as otherwise provided
9 in this Subparagraph. Only pharmaceuticals not included in the term "tangible
10 personal property" shall be registered with the Louisiana Department of Agriculture
11 and Forestry. Legend drugs administered to livestock used for agricultural purposes
12 are not required to be registered, but such legend drugs that are not registered shall
13 be "tangible personal property".

14 (g)(i) Notwithstanding the provisions of R.S. 9:1149.1 et seq., except as
15 otherwise provided in this Subparagraph, the term "tangible personal property" shall
16 not include factory built homes.

17 (ii) For purposes of this Subparagraph, "factory built home" means a
18 residential structure which is built in a factory in one or more sections and has a
19 chassis or integrated wheel delivery system, which is either:

20 (aa) A structure built to federal construction standards as defined in Section
21 5402 of Title 42 of the United States Code.

22 (bb) A residential structure built to the Louisiana State Uniform Construction
23 Code.

24 (cc) A manufactured home, modular home, mobile home, or residential
25 mobile home with or without a permanent foundation, which includes plumbing,
26 heating, and electrical systems.

27 (iii) "Factory built home" shall not include any self-propelled recreational
28 vehicle or travel trailer.

1 (iv) The term "tangible personal property" as applied to sales and use taxes
2 levied by the state or any other taxing authority in the state shall include a new
3 factory built home, for the initial sale from a dealer to a consumer, but only to the
4 extent that forty-six percent of the retail sales price shall be so considered as "tangible
5 personal property". Thereafter, each subsequent resale of a factory built home shall
6 not be considered as "tangible personal property".

7 (v) The sales and use taxes due on these transactions shall be paid to the
8 Louisiana Department of Public Safety and Corrections, office of motor vehicles, by
9 the twentieth day of the month following the month of delivery of the factory built
10 home to the consumer, along with any other information requested by the office of
11 motor vehicles.

12 (h)(i) Solely for purposes of the imposition of the sales and use tax levied by
13 the state or any political subdivision whose boundaries are coterminous with those of
14 the state, for the period beginning July 1, 2002, and ending on June 30, 2003, the term
15 "tangible personal property" shall not include one-quarter of the cost price of custom
16 computer software.

17 (ii) Solely for purposes of the imposition of the sales and use tax levied by the
18 state or any political subdivision whose boundaries are coterminous with those of the
19 state, for the period beginning July 1, 2003, and ending on June 30, 2004, the term
20 "tangible personal property" shall not include one-half of the cost price of custom
21 computer software.

22 (iii) Solely for purposes of the imposition of the sales and use tax levied by
23 the state or any political subdivision whose boundaries are coterminous with those of
24 the state, for the period beginning July 1, 2004, and ending on June 30, 2005, the term
25 "tangible personal property" shall not include three-quarters of the cost price of
26 custom computer software.

27 (iv) Solely for purposes of the imposition of the sales and use tax levied by
28 the state under R.S. 47:302 and 331 ~~or any political subdivision whose boundaries are~~
29 ~~coterminous with those of the state~~, for all taxable periods beginning on or after July

1 1, 2005, the term "tangible personal property" shall not include custom computer
2 software.

3 (i) Solely for purposes of the imposition of the state sales and use tax imposed
4 under R.S. 47:302 and 331, the term "tangible personal property" shall not include
5 digital television conversion equipment and digital radio conversion equipment as
6 defined in this Section.

7 (i) "Digital television conversion equipment" shall include the following:

8 (aa) DTV transmitter and RF system.

9 (bb) Transmission line.

10 (cc) DTV antenna.

11 (dd) Tower.

12 (ee) Existing tower structural upgrade.

13 (ff) Advanced TV receiver (STL receiver).

14 (gg) Decoder (digital to analog converter for NTSC).

15 (hh) DTV transmission system test and monitoring.

16 (ii) Digital video/audio master control switcher.

17 (jj) Analog to digital conversion.

18 (kk) High definition up-converters.

19 (ll) High definition bypass switcher.

20 (mm) Down converters for standard definition.

21 (nn) Advanced TV transmitter (STL transmitter).

22 (oo) Advanced TV signal encoder.

23 (pp) DTV transmission monitoring.

24 (qq) High definition digital video switcher and DVE.

25 (rr) High definition studio cameras.

26 (ss) High definition graphics/graphic generator.

27 (tt) High definition video monitoring.

28 (uu) Conversion gear.

29 (vv) High definition recorder/players, including tape, disk, etc.

- 1 (ww) High definition video/audio signal router.
- 2 (xx) High definition video/audio media server.
- 3 (yy) MPEG or HDTV digital receivers for program content.
- 4 (zz) High definition recorder/players, including tape, disk, etc.
- 5 (aaa) High definition video/audio media server and workstations.
- 6 (bbb) Digital EAS encoder/decoder.
- 7 (ccc) High definition camcorder, including tape, disk, etc.
- 8 (ddd) Advanced TV transmitters, including microwave.
- 9 (ii) "Digital radio conversion equipment" shall include the following:
- 10 (aa) IBOC transmitter.
- 11 (bb) IBOC main channel and IBOC combiner.
- 12 (cc) IBOC compatible antenna.
- 13 (dd) Tower.
- 14 (ee) IBOC coaxial bypass switcher.
- 15 (ff) Digital STL.
- 16 (gg) STL heliax transmission line.
- 17 (hh) STL antenna.
- 18 (ii) Digital console.
- 19 (jj) EAS insertion.
- 20 (kk) AES EBU conversion equipment.
- 21 (ll) IBOL transmission testing and monitoring equipment.
- 22 (mm) Digital processor.
- 23 (iii) The exclusion from state sales and use tax authorized by this
- 24 Subparagraph shall only apply to the first purchase of each enumerated item by an
- 25 individual taxpayer who holds a Federal Communications Commission license issued
- 26 pursuant to 47 CFR Part 73. Individual taxpayers operating under several broadcaster
- 27 licenses shall be allowed one purchase of each enumerated item per license. Each
- 28 subsequent purchase of any of the enumerated items by the same taxpayer or license
- 29 holder shall be subject to sales and use tax.

1 (iv) Repealed by Acts 2005, No. 243, §1, eff. June 29, 2005.

2 (v) Any eligible taxpayer who has purchased any item enumerated in Item (i)
3 or (ii) of this Subparagraph subsequent to January 1, 1999, but prior to the effective
4 date of this Act, shall be entitled to a credit against the state sales and use tax due in
5 any year for an amount equal to state sales and use tax paid on the purchase of the
6 item.

7 (vi) Local taxing authorities are hereby authorized to provide an exemption
8 from any local sales and use tax liability to any taxpayers holding a Federal
9 Communications Commission license issued pursuant to 47 CFR Part 73 which has
10 purchased any of the equipment listed in Item (i) or (ii) of this Subparagraph. Local
11 taxing authorities are further authorized to provide a credit against any tax liability
12 for the amount of local sales tax paid by taxpayers holding Federal Communications
13 Commission licenses issued pursuant to 47 CFR Part 73 on any equipment listed in
14 Item (i) or (ii) of the Subparagraph purchased subsequent to January 1, 1999, but prior
15 to June 25, 2002.

16 (vii) No exclusion from state sales and use tax as authorized in this
17 Subsection shall be allowed after the Federal Communications Commission has
18 issued an order mandating license holders, issued pursuant to 47 CFR Part 73, to
19 discontinue broadcasting their analog signal.

20 (viii) The Department of Revenue shall adopt rules and regulations necessary
21 for the implementation of this Act no later than August 1, 2002.

22 (j) The term "tangible personal property", for purposes of the payment of
23 sales and use taxes levied by all tax authorities in the state, shall not include materials
24 used directly in the collection, separation, treatment, testing, and storage of blood by
25 nonprofit blood banks and nonprofit blood collection centers.

26 (k) The term "tangible personal property" for purposes of the sales and use
27 taxes imposed by all tax authorities in this state shall not include apheresis kits and
28 leuko reduction filters used by nonprofit blood banks and nonprofit blood collection
29 centers.

1 (l) For purposes of the sales and use tax imposed by the state of Louisiana,
2 by a political subdivision whose boundaries are coterminous with those of the state,
3 or by all political subdivisions of the state and without regard to the nature of the
4 ownership of the ground, tangible personal property shall not include other
5 constructions permanently attached to the ground which shall be treated as immovable
6 property.

7 (m)(i) Notwithstanding any other provision of law to the contrary, for
8 purposes of the sales and use tax levied by the state under R.S. 47:302 and 331 ~~or any~~
9 ~~political subdivision whose boundaries are coterminous with those of the state~~, the
10 term "tangible personal property" shall not include machinery and equipment used by
11 a motor vehicle manufacturer with a North American Industry Classification System
12 (NAICS) Code beginning with 3361, or by a glass container manufacturer with a
13 NAICS Code of 327213. This exclusion shall be subject to the definitions and
14 requirements of Item (3)(i)(ii) of this Section.

15 (ii) A political subdivision may provide for a sales and use tax exemption for
16 the sales, cost, or lease or rental price of manufacturing machinery and equipment as
17 provided for in this Section, either effective upon adoption or enactment or phased in
18 over a period of time, or effective for a certain period of time or duration, all as set
19 forth in the instrument, resolution, vote, or other affirmative action providing the
20 exemption.

21 (iii) Notwithstanding any other provision of this Section, tooling in a
22 compression mold process shall be considered manufacturing machinery and
23 equipment for purposes of this Section.

24 (n)(i) For purposes of the imposition of the sales and use tax levied by the
25 state under R.S. 47:302 and 331, the term "tangible personal property" shall not
26 include machinery and equipment purchased by the owner of a radio station located
27 within the state that is licensed by the Federal Communications Commission for radio
28 broadcasting, if the owner is either of the following:

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

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

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

10 (o)(i) For purposes of the imposition of the sales and use tax levied by the
11 state under R.S. 47:302 and 331 ~~and any political subdivision whose boundaries are~~
12 ~~coterminous with those of the state~~, the term "tangible personal property" shall not
13 include machinery and equipment as defined in and subject to the requirements of
14 R.S. 47:301(3)(i)(ii) which is purchased by a utility regulated by the Public Service
15 Commission or the council of the City of New Orleans. For the purposes of this
16 Paragraph, the term "utility" shall mean a person regulated by the Public Service
17 Commission or the council of the City of New Orleans who is assigned a North
18 American Industrial Classification System Code 22111, Electric Power Generation,
19 as it existed in 2002. Such utility shall also be considered a "manufacturer" for
20 purposes of R.S. 47:301(3)(i)(ii).

21 (ii) For purposes of this Subparagraph, a political subdivision whose
22 boundaries are not coterminous with those of the state may provide for a sales and use
23 tax exclusion for machinery and equipment as defined in and subject to the
24 requirements of R.S. 47:301(3)(i)(ii) which is purchased by a utility regulated by the
25 Public Service Commission or the council of the city of New Orleans.

26 (p) For purposes of sales and use taxes imposed by the state under R.S.
27 47:302 and 331 or any of its political subdivisions, the term "tangible personal
28 property" shall not include newspapers.

1 (q) For purposes of sales and use taxes imposed by the state, any statewide
2 taxing authority, or any political subdivision, the term "tangible personal property"
3 shall not include any property that would have been considered immovable property
4 prior to the enactment on July 1, 2008, of Act No. 632 of the 2008 Regular Session
5 of the Legislature.

6 * * *

7 (18)(a)(i) Solely for purposes of the imposition of the state sales and use tax,
8 "use" means and includes the exercise of any right or power over tangible personal
9 property incident to the ownership thereof, except that it shall not include the sale at
10 retail of that property in the regular course of business or the donation to a school in
11 the state which meets the definition provided in R.S. 17:236 or to a public or
12 recognized independent institution of higher education in the state of property
13 previously purchased for resale in the regular course of a business. The term "use"
14 shall not include the purchase, the importation, the consumption, the distribution, or
15 the storage of automobiles to be leased in an arm's length transaction, nor shall the
16 term "use" include the donation of food items to a food bank as defined in R.S.
17 9:2799(B).

18 (ii) For purposes of the imposition of the sales and use tax levied by a
19 political subdivision or school board, "use" shall mean and include the exercise of any
20 right or power over tangible personal property incident to the ownership thereof,
21 except that it shall not include the sale at retail of that property in the regular course
22 of business or the donation to a school in the state which meets the definition
23 provided in R.S. 17:236 or to a public or recognized independent institution of higher
24 education in the state of property previously purchased for resale in the regular course
25 of a business. The term "use" shall not include the donation of food items to a food
26 bank as defined in R.S. 9:2799(B).

27 (iii) The term "use", for purposes of sales and use taxes imposed by the state
28 under R.S. 47:302 and 331 on the use for rental of automobiles which take place on
29 or after January 1, 1991, and by political subdivisions on such use on or after July 1,

1 1996, and state sales and use taxes imposed under R.S. 47:302 and 331 on the use for
2 lease or rental of tangible personal property other than automobiles which take place
3 on or after July 1, 1991, shall not include the purchase, the importation, the
4 consumption, the distribution, or the storage of tangible personal property to be leased
5 or rented in an arm's length transaction as tangible personal property. For purposes
6 of the imposition of the tax levied by any political subdivision of the state, for the
7 period beginning July 1, 1999, and ending on June 30, 2000, the term "use" shall not
8 include one-fourth of the cost price of any tangible personal property which is
9 purchased, imported, consumed, distributed, or stored and which is to be leased or
10 rented in an arm's length transaction in the form of tangible personal property. For
11 purposes of the imposition of the tax levied by any political subdivision of the state,
12 for the period beginning July 1, 2000, and ending on June 30, 2001, the term "use"
13 shall not include one-half of the cost price of any tangible personal property which
14 is purchased, imported, consumed, distributed, or stored and which is to be leased or
15 rented in an arm's length transaction in the form of tangible personal property. For
16 purposes of the imposition of the tax levied by any political subdivision of the state,
17 for the period beginning July 1, 2001, and ending on June 30, 2002, the term "use"
18 shall not include three-fourths of the cost price of any tangible personal property
19 which is purchased, imported, consumed, distributed, or stored and which is to be
20 leased or rented in an arm's length transaction in the form of tangible personal
21 property. Beginning July 1, 2002, for purposes of the imposition of the tax levied by
22 any political subdivision of the state, the term "use" shall not include the purchase,
23 the importation, the consumption, the distribution, or the storage of any tangible
24 personal property which is to be leased or rented in an arm's length transaction in the
25 form of tangible personal property.

26 (iv) The term "use", for purposes of sales and use taxes imposed by the state
27 on the use for rental automobiles which take place prior to January 1, 1991, and by
28 political subdivisions on such use prior to July 1, 1996, and imposed on the use for
29 lease or rental of tangible personal property other than automobiles which take place

1 prior to July 1, 1991, and for purposes of local sales and use taxes levied by political
2 subdivisions, except for any use for rental automobiles on or after July 1, 1996, shall
3 include the purchase, the importation, the consumption, the distribution, or the storage
4 of tangible personal property to be leased or rented in an arm's length transaction as
5 tangible personal property.

6 (b) Notwithstanding any other law to the contrary, for purposes of the
7 imposition of the sales and use tax of any political subdivision, the use of a vehicle
8 subject to the Vehicle Registration License Tax Law (R.S. 47:451 et seq.) shall be
9 deemed to be a "use":

10 (i) In the political subdivision of the principal residence of the purchaser if
11 the vehicle is purchased for private use, or

12 (ii) In the political subdivision of the principal location of the business if the
13 vehicle is purchased for commercial use, unless the vehicle purchased for commercial
14 use is assigned, garaged, and used outside of such political subdivision, in which case
15 the use shall be deemed a use in the political subdivision where the vehicle is
16 assigned, garaged, and used.

17 (c) For purposes of state and political subdivision sales and use tax, "use"
18 shall not include the exercise of any right or power by a free hospital over items,
19 including but not limited to supplies and equipment, which are reasonably necessary
20 for the operation of the free hospital.

21 (d)(i) Notwithstanding any other provision of law to the contrary, and except
22 as provided in Item (iii) of this Subparagraph, for purposes of state and political
23 subdivision sales and use tax, "use" means and includes the exercise of any right or
24 power over tangible personal property incident to the ownership thereof, except that
25 it shall not include the further processing of tangible personal property into articles
26 of tangible personal property for sale.

27 (ii) Except as provided in Item (iii) of this Subparagraph for refinery gas, for
28 purposes of state and political subdivision use tax, "use" shall not include the storage,
29 consumption, or the exercise of any other right of ownership over tangible personal

1 property which is created or derived as a residue or byproduct of such processing.
2 Such residue or byproduct shall include but shall not be limited to catalyst cracker
3 coke derived from crude oil, wood chips, bark, and liquor derived from the processing
4 of sawlogs or pulpwood timber, or bagasse derived from sugarcane.

5 (iii) Notwithstanding any other provision of law to the contrary, and
6 notwithstanding the provisions of this Subparagraph, "use" shall include the exercise
7 of any right of ownership over the consumption, the distribution, and the storage for
8 use or consumption in this state of refinery gas, except the sale to another person,
9 whether at retail or wholesale, only if the refinery gas is ultimately consumed as an
10 energy source by the person who owns the facility in which it is created and is not
11 sold. Notwithstanding any other law to the contrary, the use of refinery gas shall be
12 taxed at the cost price value provided in Subparagraph (3)(f) of this Section. If
13 refinery gas, except for feedstock, is sold to another person, whether at retail, or
14 wholesale, such sale shall be taxable and the sales price value shall be as provided for
15 in Subparagraph (13)(d) of this Section. The provisions of this Item shall not apply
16 to feedstocks.

17 (e) For purposes of ~~state and political subdivision sales and use tax~~ sales and
18 use tax imposed by the state under R.S. 47:302 and 331 and any sales and use tax
19 imposed by a political subdivision, "use" shall not include the purchase of or the
20 exercise of any right or power over:

21 (i) Tangible personal property sold by approved parochial and private
22 elementary and secondary schools which comply with the court order from the Dodd
23 Brumfield decision and Section 501(c)(3) of the Internal Revenue Code, or students,
24 administrators, or teachers, or other employees of the school, if the money from such
25 sales, less reasonable and necessary expenses associated with the sale, is used solely
26 and exclusively to support the school or its program or curricula.

27 (ii) Educational materials or equipment used for classroom instruction by
28 approved parochial and private elementary and secondary schools which comply with
29 the court order from the Dodd Brumfield decision and Section 501(c)(3) of the

1 Internal Revenue Code, limited to books, workbooks, computers, computer software,
2 films, videos, and audio tapes.

3 (f) For purposes of state and political subdivision sales and use tax, "use"
4 shall not include the purchase of or the exercise of any right or power over tangible
5 personal property used by Boys State of Louisiana, Inc. and Girls State of Louisiana,
6 Inc. for their educational and public service programs for youth.

7 (g) Notwithstanding any provision of law to the contrary, for purposes of
8 sales or use taxation by the state or any local political subdivision, the term "use" shall
9 not mean or include any funeral directing services as defined in Subparagraph (10)(s)
10 of this Section.

11 (h) For purposes of sales and use taxes levied by the state under R.S. 47:302
12 and 331 or any political subdivision of the state, the term "use" shall not include the
13 exercise of any right of ownership in or the distribution of telephone directories
14 acquired by an advertising company that is not affiliated with a provider of telephone
15 services if the telephone directories will be distributed free of charge to the recipients
16 of the telephone directories.

17 (i) For purposes of the imposition of sales and use taxes imposed or levied by
18 all taxing authorities in the state, in the case of the sale or any other disposition by a
19 dealer of any cellular, PCS, or wireless telephone, any electronic accessories that are
20 physically connected with such telephones and personal communications devices used
21 in connection with the sale or use of mobile telecommunications services, as defined
22 in R.S. 47:301(10)(v), the term "use" shall not include the withdrawal, use,
23 distribution, consumption, storage, donation, or any other disposition of any such
24 cellular, PCS, or wireless telephone, any electronic accessories that are physically
25 connected with such telephones and personal communications devices by the dealer.

26 (j) For purposes of the imposition of sales and use taxes imposed or levied by
27 any political subdivision of the state, in the case of the sale or any other disposition
28 by a dealer of any cellular telephone, PCS telephone, wireless telephone, or other
29 wireless personal communication device that is used in connection with the sale or

1 use of mobile telecommunications services, as defined in R.S. 47:301(10)(w), or any
2 electronic accessory that is physically connected with any such telephone or personal
3 communications device, the term "use" shall not include the withdrawal, use,
4 distribution, consumption, storage, donation, or any other disposition of any such
5 telephone or electronic accessory by the dealer.

6 (k) Solely for purposes of the sales and use tax levied by the state ~~or any~~
7 ~~political subdivision whose boundaries are coterminous with those of the state~~ under
8 R.S. 47:302 and 331, the term "use" shall not include the purchase, the use, the
9 consumption, the distribution, the storage for use or consumption, or the exercise of
10 any right or power over manufacturing machinery and equipment used or consumed
11 in this state to manufacture, produce or extract unblended biodiesel.

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

22 (m)(i) For the purposes of sales and use taxes imposed or levied by the state
23 or any political subdivision of the state, the term "use" shall not include the purchase
24 of or the exercise of any right or power over toys by a non-profit organization exempt
25 from federal taxation pursuant to Section 501(c)(3) of the Internal Revenue Code if
26 the sole purpose of the purchasing organization is to donate toys to minors and the
27 toys are, in fact, donated.

28 (ii) The exclusion provided for in this Subparagraph shall be subject to the
29 same conditions as are provided for in Items (10)(aa)(ii) and (iii) of this Section.

1 (n) For purposes of sales and use tax imposed by the state under R.S. 47:302
2 and 331 or any political subdivision of the state, the term "use" shall not mean or
3 include the purchase, importation, storage, distribution, or exportation of, or exercise
4 of any right or power over, textbooks and course-related software by a private
5 postsecondary academic degree-granting institution, accredited by a national or
6 regional commission that is recognized by the United States Department of Education
7 and is licensed by the Board of Regents, which institution has its main location within
8 this state and offers only online instruction, when all of the following apply:

9 (i) The textbooks and course-related software are physically outside of this
10 state when purchased from a vendor outside of this state and then imported into this
11 state.

12 (ii) The first student use of the textbooks and course-related software occurs
13 outside of this state.

14 (iii) The textbooks and course-related software are provided to the student
15 free of charge.

16 (o) Solely for purposes of the imposition of the state sales and use tax under
17 R.S. 47:302 and 331, the term "use" shall not include the purchase or use of any storm
18 shutter device as defined and provided for in Subparagraph (10)(ee) of this Section.

19 (p) For purposes of sales and use tax imposed by the state under R.S. 47:302
20 and 331 or any political subdivision of the state, the term "use" shall not mean or
21 include the purchase, importation, storage, distribution or exercise of any right or
22 power over anthropogenic carbon dioxide used in a qualified tertiary recovery project
23 approved by the assistant secretary of the office of conservation of the Department of
24 Natural Resources pursuant to R.S. 47:633.4.

25 * * *

26 (27) "Tax", "sales and use tax", and "sales tax" shall mean the sales and use
27 tax imposed by the state pursuant to the provisions of this Chapter and Chapter 2-A
28 and 2-B of this Subtitle, except where otherwise specified, and the tax imposed by

1 political subdivisions under the constitution or laws of this state authorizing the
2 imposition of a sales and use tax.

3 * * *

4 §302. Imposition of tax

5 * * *

6 R.

7 * * *

8 (2) Notwithstanding any other provision of law to the contrary, including but
9 not limited to any contrary provisions of this Chapter, the exemption provided for in
10 R.S. 47:305(A)(2) and 305.25(A)(3) shall be applicable, operable, and effective from
11 July 1, 2007, except that from April 1, 2016, it shall apply solely to the state sales and
12 use tax imposed under R.S. 47:302 and 331.

13 (3) Notwithstanding any other provision of law to the contrary which makes
14 any sales and use tax exemption inapplicable, inoperable, and of no effect, the
15 exemption provided in R.S. 47:305(D)(2) shall be applicable, operable, and effective
16 from January 1, 1998, except that from April 1, 2016, it shall apply solely to the state
17 sales and use tax imposed under R.S. 47:302 and 331.

18 S. Notwithstanding any other provision of law to the contrary and specifically
19 notwithstanding any provision enacted during the 2004 First Extraordinary Session
20 which makes any sales and use tax exemption inapplicable, inoperable, and of no
21 effect, the exemption provided in R.S. 47:305.51 shall be applicable, operable, and
22 effective for all taxable periods beginning on or after July 1, 2007, except that from
23 April 1, 2016, it shall apply solely to the state sales and use tax imposed under R.S.
24 47:302 and 331.

25 T. Notwithstanding any other provision of law to the contrary and specifically
26 notwithstanding any provision enacted to make any sales and use tax exemption
27 inapplicable, inoperable, and of no effect, the exemption provided in R.S.
28 47:305(A)(5)(b) shall be applicable, operable, and effective from July 1, 2009, except

1 including those issued pursuant to R.S. 47:305.10, shall not be liable for the payment
2 of the tax.

3 (6) Solely for purposes of the sales and use tax levied by the state, such tax
4 shall not apply to the sale or use of materials, supplies, equipment, fuel, bait, and
5 related items other than vessels used in the production or harvesting of catfish. The
6 person who purchases the exempt items shall claim the exemption by executing a
7 certificate at the time of purchase. The Department of Revenue shall provide the
8 certificates to retail merchants. Any merchant who in good faith, and after
9 examination of the applicability of the certificate to that purchase with due care,
10 neglects or fails to collect the tax herein provided, due to the presentation by the
11 purchaser of a tax exemption certificate issued by the Department of Revenue, shall
12 not be liable for the payment of the tax.

13 * * *

14 D.(1) The sale at retail, the use, the consumption, the distribution, and the
15 storage to be used or consumed in the taxing jurisdiction of the following tangible
16 personal property is hereby specifically exempted from the tax imposed by taxing
17 authorities, except as otherwise provided in this Paragraph:

18 * * *

19 (b) Steam shall be exempt from the state sales and use tax imposed under R.S.
20 47:302 and 331, except as may otherwise be provided for with respect to R.S. 47:331
21 pursuant to HCR No. 8 of the 2015 Regular Session.

22 (c) Water shall be exempt from the state sales and use tax imposed under R.S.
23 47:302 and 331, except as may otherwise be provided for with respect to R.S. 47:331
24 pursuant to HCR No. 8 of the 2015 Regular Session (not including mineral water or
25 carbonated water or any water put in bottles, jugs, or containers, all of which are not
26 exempted).

27 (d) Electric power or energy and any materials or energy sources used to fuel
28 the generation of electric power for resale or used by an industrial manufacturing
29 plant for self-consumption or cogeneration shall be exempt from the state sales and

1 use tax imposed under R.S. 47:302 and 331, except as may otherwise be provided for
2 with respect to R.S. 47:331 pursuant to HCR No. 8 of the 2015 Regular Session.

3 * * *

4 (f) Fertilizer and containers used for farm products when sold directly to the
5 farmer.

6 (g) Natural gas shall be exempt from the state sales and use tax imposed
7 under R.S. 47:302 and 331, except as may otherwise be provided for with respect to
8 R.S. 47:331 pursuant to HCR No. 8 of the 2015 Regular Session.

9 (h) All energy sources when used for boiler fuel except refinery gas shall be
10 exempt from the state sales and use tax imposed under R.S. 47:302 and 331.

11 (i) New trucks, new automobiles, new aircraft, and new boats, vessels, or
12 other water craft withdrawn from stock by factory authorized new truck, new
13 automobile, new aircraft dealers, and factory-authorized dealers of new boats, vessels,
14 or other water craft, and used trucks and used automobiles withdrawn from stock by
15 new or used motor vehicle dealers, which are withdrawn for use as demonstrators
16 shall be exempt from the state sales and use tax imposed under R.S. 47:302 and 331.

17 * * *

18 (u) Solely for purposes of the state sales and use tax, adaptive driving
19 equipment and motor vehicle modifications prescribed for personal use by a
20 physician, a licensed chiropractor, or a driver rehabilitation specialist licensed by the
21 state shall be exempt from the state sales and use tax imposed under R.S. 47:302 and
22 331.

23 (2)(a) Sales of meals furnished as follows shall be exempt from the state sales
24 and use tax imposed under R.S. 47:302 and 331:

25 * * *

26 F. The sales, use and lease taxes imposed by ~~taxing authorities~~ the state under
27 R.S. 47:302 and 331 and any sales and use tax imposed by a political subdivision
28 shall not apply to the amounts paid by radio and television broadcasters for the right
29 to exhibit or broadcast copyrighted material and the use of film, video or audio tapes,

1 records or any other means supplied by licensors thereof in connection with such
2 exhibition or broadcast and the sales and use tax shall not apply to licensors or
3 distributors thereof.

4 * * *

5 I. The sales and use taxes imposed by the state of Louisiana under R.S.
6 47:302 and 331 or any of its political subdivisions shall not apply to the labor, or sale
7 of materials, services, and supplies, used for repairing, renovating or converting of
8 any drilling rig, or machinery and equipment which are component parts thereof,
9 which is used exclusively for the exploration or development of minerals outside the
10 territorial limits of the state in Outer Continental Shelf waters. For the purposes of
11 this Subsection, "drilling rig" means any unit or structure, along with its component
12 parts, which is used primarily for drilling, workover, intervention or remediation of
13 wells used for exploration or development of minerals. For purposes of this
14 Subsection, "component parts" means any machinery or equipment necessary for a
15 drilling rig to perform its exclusive function of exploration or development of
16 minerals.

17 * * *

18 §305.6. Exclusions and exemptions; Little Theater tickets

19 The sales tax imposed by ~~taxing authorities~~ the state under R.S. 47:302 and
20 331 and any sales and use tax imposed by a political subdivision shall not apply to the
21 sale of admission tickets by Little Theater organizations.

22 §305.7. Exclusions and exemptions; tickets to musical performances of nonprofit
23 musical organizations

24 The sales tax imposed by ~~taxing authorities~~ the state under R.S. 47:302 and
25 331 and any sales and use tax imposed by a political subdivision shall not apply to the
26 sale of admission tickets by domestic nonprofit corporations or by any other domestic
27 nonprofit organization known as a symphony organization or as a society or
28 organization engaged in the presentation of musical performances; provided that this
29 Section shall not apply to performances given by out-of-state or nonresident

1 symphony companies, nor shall this Section apply to any performance intended to
2 yield a profit to the promoters thereof.

3 §305.8. Exclusions and exemptions; pesticides used for agricultural purposes

4 The tax imposed by ~~taxing authorities~~ the state under R.S. 47:302 and 331 and
5 any sales and use tax imposed by a political subdivision shall not apply to sale at
6 retail of pesticides used for agricultural purposes, including particularly but not by
7 way of limitation, insecticides, herbicides and fungicides.

8 §305.9. Exclusions and exemptions; motion picture film rental

9 The sales and use taxes imposed by the State of Louisiana under R.S. 47:302
10 and 331 or any such taxes imposed by any parish or municipality within the state shall
11 not apply to the amount paid by the operator of a motion picture theatre to a
12 distributing agency for use of films of photoplay.

13 * * *

14 §305.13. Exclusions and exemptions; admissions to entertainments furnished by
15 certain domestic nonprofit corporations

16 The sales tax imposed by ~~taxing authorities~~ the state under R.S. 47:302 and
17 331 and any sales and use tax imposed by a political subdivision shall not apply to
18 the sale of admissions to entertainment events furnished by recognized domestic
19 nonprofit charitable, educational and religious organizations when the entire proceeds
20 from such sales, except for necessary expenses connected with the entertainment
21 events, are used for the purposes for which the organizations furnishing the events
22 were organized.

23 §305.14. Exclusions and exemptions; nonprofit organizations; nature of exemption;
24 limitations; qualifications; newspapers; determination of tax exempt status

25 A.(1)(a) The sales and use taxes imposed by ~~taxing authorities~~ the state under
26 R.S. 47:302 and 331 and any sales and use tax imposed by a political subdivision
27 shall not apply to sales of tangible personal property at, or admission charges for,
28 outside gate admissions to, or parking fees associated with, events sponsored by
29 domestic, civic, educational, historical, charitable, fraternal, or religious

1 organizations, which are nonprofit, when the entire proceeds, except for necessary
 2 expenses such as fees paid for guest speakers, chair and table rentals, and food and
 3 beverage utility related items connected therewith, are used for educational,
 4 charitable, religious, or historical restoration purposes, including the furtherance of
 5 the civic, educational, historical, charitable, fraternal, or religious purpose of the
 6 organization. In addition, newspapers published in this state by religious
 7 organizations shall also be exempt from such taxes, provided that the price paid for
 8 the newspaper or a subscription to the newspaper does not exceed the cost to publish
 9 such newspaper.

10 (b) Notwithstanding any other provision of this Section, the sales and use tax
 11 imposed by ~~taxing authorities~~ the state under R.S. 47:302 and 331 and any sales and
 12 use tax imposed by a political subdivision shall not apply to an event sponsored by
 13 a domestic nonprofit organization that is exempt from tax under Section 501(c)(3) of
 14 the Internal Revenue Code when the event provides Louisiana heritage, culture, crafts,
 15 art, food, and music, and the sponsor has contracted for production management and
 16 financing services for the event. Such services shall constitute necessary expenses of
 17 the sponsor for purposes of the event. The provisions of this Subparagraph shall
 18 apply only to the sales of tangible personal property and admission charges for,
 19 outside gate admissions to, or parking fees associated with an event when the sales,
 20 charges, and fees are payable to or for the benefit of the sponsor of the event. The
 21 provisions of this Subparagraph shall apply only to an event which transpires over a
 22 minimum of seven but not more than twelve days and has a five-year annual average
 23 attendance of at least three hundred thousand over the duration of the event. For
 24 purposes of determining the five-year annual average attendance, the calculation shall
 25 include the total annual attendance for each of the five most recent years.

* * *

27 §305.16. Exclusions and exemptions; cable television installation and repair

28 The sales and use taxes imposed by the state under R.S. 47:302 and 331 or by
 29 any political subdivision thereof shall not apply to necessary fees incurred in

1 connection with the installation and service of cable television. Such exemption shall
2 not apply to purchases made by any cable television system, but shall only apply to
3 funds collected from the subscriber for regular service, installation and repairs.

4 §305.17. Exclusions and exemptions; income from coin-operated washing and drying
5 machines in a commercial laundromat

6 State sales taxes imposed by R.S. 47:302 ~~and R.S. 47:321~~ and 331, as well as
7 any sales taxes imposed by any parish, municipality, school board, or other political
8 subdivision, within the state, shall not apply to or be imposed upon the income on
9 receipts from any coin-operated washing or drying machine in a commercial
10 laundromat. A commercial laundromat, for purposes of this Section, is defined to be
11 any establishment engaged solely in the business of furnishing washing or drying
12 laundry services by means of coin-operated machines.

13 §305.18. Exclusions and exemptions; fairs, festivals, and expositions sponsored by
14 nonprofit organizations; nature of exemption; limitations; qualifications

15 A.(1) The sales and use tax imposed by the state of Louisiana under R.S.
16 47:302(C) ~~and R.S. 47:321~~ and R.S. 47:331 shall not apply to all outside gate
17 admissions to grounds and parking fees at fairs and festivals sponsored by recognized
18 nonprofit organizations chartered under the state of Louisiana.

19 (2) The exemption provided herein shall not apply to any event intended to
20 yield a profit to the promoter or to any individual contracted to provide services or
21 equipment, or both, for the event.

22 (3) This Section shall not be construed to exempt any organization or activity
23 from the payment of sales or use taxes otherwise required by law to be made on
24 purchases made by these organizations.

25 (4) This Section shall not be construed to exempt regular commercial ventures
26 of any type such as bookstores, restaurants, gift shops, commercial flea markets and
27 similar activities that are sponsored by organizations qualifying hereunder which are
28 in competition with retail merchants.

29 * * *

1 (4) Taxes imposed by the state under R.S. 47:302 and 331 as applied to the
2 purchase of gasoline, diesel fuel, and lubricants for the vessel and to sources of
3 energy and fuels for the facility.

4 * * *

5 §305.26. Exclusions and exemptions; new vehicles furnished by dealers for driver
6 education purposes

7 Solely for purposes of the sales or use tax levied by the state under R.S.
8 47:302 and 331, such tax shall not be due on vehicles furnished by a dealer in new
9 vehicles when withdrawn from inventory and furnished to a secondary school,
10 college, or public school board on a free loan basis for exclusive use in a driver
11 education program licensed by the Department of Public Safety and Corrections,
12 public safety services.

13 * * *

14 §305.28. Exclusions and exemptions; gasohol

15 A. The sales or use taxes imposed by the state of Louisiana under R.S.
16 47:302 and 331 or any such taxes imposed by any parish or municipality or other
17 local entity within the state shall not apply to the sale at retail, the use, the
18 consumption, the distribution, and the storage, to be used or consumed in this state,
19 of any motor fuel known as gasohol, containing a blend of at least ten percent
20 alcohol, if the alcohol therein has been produced, fermented, and distilled in
21 Louisiana from agricultural commodities. Alcohol to be used in gasohol must have
22 been rendered unsuitable for human consumption at the time of its manufacture or
23 immediately thereafter.

24 * * *

25 §305.33. Exclusions and exemptions; nonprofit retirement centers

26 The sales and use taxes imposed by the state of Louisiana under R.S. 47:302
27 and 331 shall not apply to purchases of materials for the construction of and supplies
28 for the operation of any not-for-profit retirement center owned or operated by any
29 public trust authority or duly incorporated not-for-profit corporation. A retirement

1 center for purposes of this Section is defined as any multipurpose facility which
2 houses as a permanent residence senior citizens who are sixty-two years of age or
3 older, which provides housing for the elderly, and which provides intermediate
4 health care.

5 * * *

6 §305.40. Exclusions and exemptions; purchases of Mardi Gras specialty items

7 A. Solely for purposes of the sales and use taxes levied by the state, such
8 sales and use taxes imposed by R.S. 47:302, ~~321~~, and 331 shall not apply to the
9 purchases or sales of specialty items for use in connection with Mardi Gras activities
10 by the following organizations:

11 * * *

12 §305.41. Exclusions and exemptions; Ducks Unlimited; Bass Life

13 The sales and use tax imposed by the state of Louisiana under R.S. 47:302
14 and 331 or any of its local governmental subdivisions or school boards shall not
15 apply to either the sales of Ducks Unlimited or Bass Life or any of their chapters or
16 any rental or purchase of property or services by Ducks Unlimited or Bass Life or
17 any of their chapters.

18 §305.42. Exclusions and exemptions; tickets to ballet performances of nonprofit

19 ballet organizations

20 Solely for purposes of the sales and use taxes levied by the state, such sales
21 and use tax imposed by R.S. 47:302(A) ~~and R.S. 47:321(A)~~ shall not apply to the
22 sale of admission tickets by any domestic nonprofit organization engaged in the
23 preparation and presentation of any dance, drama, or any of the performing arts.

24 §305.43. Exclusions and exemptions; nonprofit organizations dedicated to the

25 conservation of fish or migratory waterfowl; nature of exemption;
26 limitations; qualifications

27 A. The sales and use taxes imposed by R.S. 47:302, ~~R.S. 47:321~~, and R.S.
28 47:331 shall not apply to any sales made by a nonprofit organization dedicated
29 exclusively to the conservation of fish or the migratory waterfowl of the North

1 American Continent and to the preservation and conservation of wetland habitat of
2 such waterfowl, when the entire proceeds, except for the necessary expenses
3 connected therewith, are used in furtherance of the organization's exempt purpose.
4 The exemption provided herein shall not apply to any event intended to yield a profit
5 to the promoter or to any individual contracted to provide services or equipment, or
6 both, for the event.

7 * * *

8 §305.44. Exclusions and exemptions; raw materials used in printing process

9 A. The sales and use taxes imposed by the state under R.S. 47:302, ~~R.S.~~
10 ~~47:321~~, and R.S. 47:331 and by any political subdivision shall not apply to purchases
11 and sales of the following, including all chemical supplies necessary to produce such
12 items whether manufactured by a printer or purchased from a subcontractor:

13 * * *

14 §305.45. Exclusions and exemptions; per diem or car hire on freight cars,
15 piggy-back cars, and rolling stock

16 A. The sales, use, and lease tax imposed by the state of Louisiana under the
17 provisions of R.S. 47:302(A) and (B), ~~R.S. 47:321(A) and (B)~~ and R.S. 47:331 shall
18 not apply to:

19 * * *

20 §305.47. Exclusions and exemptions; pharmaceutical samples distributed without
21 charge

22 The sales and use tax imposed by the state of Louisiana under R.S. 47:302
23 and 331 or any sales and use tax imposed by any of its political subdivisions shall not
24 apply to pharmaceutical samples approved by the United States Food and Drug
25 Administration which are manufactured in the state or imported into the state for
26 distribution without charge to physicians, dentists, clinics, or hospitals.

27 * * *

1 §305.49. Catalog distribution; exemption

2 Notwithstanding any provision of law to the contrary, no sales or use tax shall
3 be imposed by the state ~~or~~ under R.S. 47:302 and 331 or by any political subdivision
4 on the value of catalogs distributed, or intended for distribution in the state, without
5 charge to the recipient.

6 §305.50. Exemption; vehicles used in interstate commerce; rail rolling stock;
7 railroad ties

8 A.(1) The sales and use tax imposed by the state of Louisiana ~~or~~ under R.S.
9 47:302 and 331 or by any of its local political subdivisions shall not apply to trucks
10 with a gross weight of twenty-six thousand pounds or more and to trailers if such
11 trucks and trailers are used at least eighty percent of the time in interstate commerce
12 and whose activities are subject to the jurisdiction of the United States Department
13 of Transportation. The determination of whether a truck is used at least eighty
14 percent of the time in interstate commerce shall be based solely on the actual mileage
15 of such truck; however, no truck shall have more than twenty percent Louisiana
16 intrastate miles.

17 (2)(a) The sales and use tax imposed by the state ~~or~~ under R.S. 47:302 and
18 331 or by any of its political subdivisions shall not apply to the purchase, use, or
19 lease of a qualifying truck or to the purchase, use, or lease of a qualifying trailer
20 purchased, imported, or leased, with or without a qualifying truck, for use with a
21 qualifying truck.

22 * * *

23 B. The sales and use tax imposed by the state of Louisiana ~~or~~ under R.S.
24 47:302 and 331 or by any of its local political subdivisions shall not apply to contract
25 carrier buses if such buses are used at least eighty percent of the time in interstate
26 commerce.

27 * * *

28 E.

29 * * *

1 (2) The sales and use tax imposed by the state of Louisiana ~~or statewide~~
2 ~~taxing authorities~~ under R.S. 47:302 and 331 shall not apply to parts or services used
3 in the fabrication, modification, or repair of rail rolling stock. A political subdivision
4 may, by ordinance, provide that sales and use tax imposed by the political
5 subdivision shall not apply to parts or service used in the fabrication, modification,
6 or repair of rail rolling stock.

7 * * *

8 §305.51. Exemption; utilities used by steelworks and blast furnaces

9 A. The sales and use tax imposed by the state of Louisiana ~~or~~ under R.S.
10 47:302 and 331 or by any of its political subdivisions shall not apply to sales or
11 purchases of utilities used by steelworks, blast furnaces, coke ovens, or rolling mills
12 with more than one hundred twenty-five full-time employees, which are classified
13 by the Louisiana Workforce Commission within Sector 331111 of the North
14 American Industry Classification System as it existed in 2002. However, this
15 exemption shall not apply to utilities used in and around the production of coke in
16 oil refineries and the use of coke in oil refineries and other chemical processes.

17 * * *

18 §305.54. Exemption; Annual Louisiana Sales Tax Holidays Act

19 * * *

20 B.(1) Notwithstanding any other provisions of law to the contrary, the sales
21 tax levied by the state of Louisiana under R.S. 47:302 and 331 and its political
22 subdivisions whose boundaries are coterminous with those of the state shall not
23 apply to the first two thousand five hundred dollars of the sales price or cost price
24 of any consumer purchases of tangible personal property that occur on the first
25 consecutive Friday and Saturday of August each year.

26 * * *

27 §305.57. Exemptions; sale of art work

28 A. The sales and use taxes imposed by the state of Louisiana ~~or~~ under R.S.
29 47:302 and 331 or by any of its political subdivisions shall not apply to the sale of

1 original, one-of-a-kind works of art from an established location within the
2 boundaries of a cultural product district.

3 * * *

4 §305.58. Exemption; annual sales tax holiday; hurricane-preparedness items or
5 supplies; dates; restrictions

6 A.(1) Notwithstanding any other provision of law to the contrary, the sales
7 and use tax levied by the state of Louisiana under R.S. 47:302 and 331 shall not
8 apply to the first one thousand five hundred dollars of the sales price of purchases
9 of hurricane-preparedness items or supplies as defined in this Subsection that occur
10 during an eligible tax exemption period.

11 * * *

12 §305.59. Exemption; charitable residential construction

13 The sales and use tax imposed by the state of Louisiana ~~and~~ under R.S.
14 47:302 and 331 and by all of its tax authorities shall not apply to the sale of
15 construction materials to Habitat for Humanity affiliates, Fuller Center for Housing
16 covenant partners located in this state, or the Make it Right Foundation when such
17 materials are intended for use in constructing new residential dwellings in this state.

18 * * *

19 §305.61. Exemption; certain water conservation equipment; Sparta Groundwater
20 Conservation District

21 A. The sales and use tax imposed by ~~all tax authorities in the state~~ under R.S.
22 47:302 and 331 shall not apply to sales of water conservation equipment for use
23 within the Sparta Groundwater Conservation District. Only persons defined as
24 "users" under R.S. 38:3087.133(7) shall be eligible for this exemption.

25 * * *

26 §305.62. Exemption; Annual Louisiana Second Amendment Weekend Holiday

27 * * *

28 B.(1) Notwithstanding any other provisions of law to the contrary, the sales
29 and use tax levied by the state of Louisiana ~~and~~ under R.S. 47:302 and 331 and the

1 sales and use taxes levied by its political subdivisions shall not apply to the sales
2 price or cost price of any consumer purchases of firearms, ammunition, and hunting
3 supplies that occur each calendar year on the first consecutive Friday through Sunday
4 of September.

5 * * *

6 §305.63. Exemption; commercial farm irrigation equipment

7 The sales and use tax imposed by the state of Louisiana ~~and~~ under R.S.
8 47:302 and 331 and the sales and use taxes imposed by its political subdivisions
9 whose boundaries are coterminous with those of the state shall not apply to the sale
10 of polyroll tubing sold or used for commercial farm irrigation.

11 §305.64. Exemption; qualifying radiation therapy treatment centers

12 A.(1) The sales and use tax imposed by the state of Louisiana under R.S.
13 47:302 and 331 shall not apply to the amount paid by qualifying radiation therapy
14 treatment centers for the purchase, lease, or repair of capital equipment and the
15 purchase, lease, or repair of software used to operate capital equipment. Any
16 political subdivision of this state, including parishes and municipalities, may elect
17 to grant a sales and use tax exemption for the amount paid by qualifying radiation
18 therapy treatment centers for the purchase, lease, or repair of capital equipment and
19 the purchase, lease, or repair of software used to operate capital equipment.

20 * * *

21 §305.65. Exemption; charitable residential construction, rehabilitation, and
22 renovation; limitation

23 A. The sales and use tax imposed by the state of Louisiana ~~and~~ under R.S.
24 47:302 and 331 and the sales and use taxes imposed by all of its tax authorities shall
25 not apply to the sale of construction materials to Hands on New Orleans and
26 Rebuilding Together New Orleans covenant partners located in this state when such
27 materials are intended for use in either constructing, rehabilitating, or renovating

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored
are additions.

1 residential dwellings in this state which were destroyed or damaged by Hurricane
2 Katrina or Hurricane Rita.

3 * * *

4 §305.67. Exemption; breastfeeding items

5 The sales and use tax imposed by the state of Louisiana under R.S. 47:302
6 and 331 shall not apply to the purchase of breastfeeding items. For purposes of this
7 Section, breastfeeding items shall include breastpumps and accessories, replacement
8 parts, storage bags and accessories, and nursing bras.

9 §305.68. Exemption; Fore!Kids Foundation

10 The sales and use tax imposed by the state of Louisiana ~~or~~ under R.S. 47:302
11 and 331 ~~or by~~ any political subdivisions shall not apply to the purchase, use, or rental
12 of materials, services, property, and supplies, by the Fore!Kids Foundation, whose
13 primary purpose is to fund children's service organizations from monies raised from
14 golfing events.

15 * * *

16 §305.70. Exemption; "Make It Right Foundation"

17 The sales and use tax imposed by the state of Louisiana ~~or~~ under R.S. 47:302
18 and 331 ~~or by~~ any political subdivision shall not apply to the sale of construction
19 materials to the "Make It Right Foundation" when such materials are intended for
20 use in constructing new residential dwellings in this state.

21 §305.71. Exemption; St. Bernard Project, Inc.

22 The sales and use tax imposed by the state of Louisiana ~~or~~ under R.S. 47:302
23 and 331 ~~or by~~ any political subdivision as defined in R.S. 47:337.6 shall not apply
24 to the sale of construction materials to the St. Bernard Project, Inc. when such
25 materials are intended for use in rehabilitating existing residential dwellings or
26 constructing new residential dwellings in this state.

27 * * *

28 §331. Imposition of tax

29 * * *

1 P.

2 * * *

3 (3) Notwithstanding any other provision of law to the contrary, including but
4 not limited to any contrary provisions of this Chapter, the exemption provided for
5 in R.S. 47:305(A)(2) and 305.25(A)(3) shall be applicable, operable, and effective
6 from July 1, 2007, through March 30, 2016. Beginning April 1, 2016, the
7 applicability and effectiveness of these exemptions shall be governed by the law
8 establishing the exemption.

9 (4) Notwithstanding any other provision of law to the contrary which makes
10 any sales and use tax exemption inapplicable, inoperable, and of no effect, the
11 exemption provided in R.S. 47:305(D)(2) shall be applicable, operable, and effective
12 from January 1, 1998 through March 30, 2016. Beginning April 1, 2016, the
13 applicability and effectiveness of this exemption shall be governed by the law
14 establishing the exemption.

15 Q. Notwithstanding any other provision of law to the contrary and
16 specifically notwithstanding any provision enacted during the 2004 First
17 Extraordinary Session which makes any sales and use tax exemption inapplicable,
18 inoperable, and of no effect, the exemption provided in R.S. 47:305.51 shall be
19 applicable, operable, and effective for all taxable periods beginning on or after July
20 1, 2007, through March 30, 2016. Beginning April 1, 2016, the applicability and
21 effectiveness of this exemption shall be governed by the law establishing the
22 exemption.

23 R. Notwithstanding any other provision of law to the contrary and
24 specifically notwithstanding any provision which is enacted to make any sales and
25 use tax exemption inapplicable, inoperable, and of no effect, the exemption provided
26 in R.S. 47:305(A)(5)(b) shall be applicable, operable, and effective from July 1,
27 2009, through March 30, 2016. Beginning April 1, 2016, the applicability and

1 effectiveness of these exemptions shall be governed by the law establishing the
2 exemption.

3 * * *

4 §6001. Antique airplanes and certain other aircraft

5 A. No tax imposed by the state under R.S. 47:302 and 331 or by any parish,
6 municipality, school board, or any political subdivision of the state shall be imposed
7 on antique airplanes which are maintained by private collectors and not used for
8 commercial purposes, and no personal property tax shall be imposed on any aircraft
9 weighing less than six thousand pounds which is owned by a private individual and
10 not used for commercial or profit making purposes. The exemption from local taxes
11 contained in this Section is granted notwithstanding the provisions of R.S. 47:302,
12 and such exemption shall apply to any sales and use tax levied by any local
13 governmental subdivision or school board.

14 * * *

15 Section 7. R.S. 51:1307(C) is hereby amended and reenacted to read as follows:

16 §1307. Refund procedure

17 * * *

18 C. The refund may consist of a credit card refund as provided for in
19 Subsection D of this Section, or of a cash or check payment in any currency deemed
20 appropriate by the commission, without interest to the international traveler, of the
21 ~~total sales tax of the state~~ sales tax imposed by the state under R.S. 47:302 and 331
22 and of any participating local tax authority paid by the international traveler as
23 reflected on the invoices or receipts and as verified by the refund form, less the
24 handling fee charged. The international traveler's copy of the refund form will be
25 kept by the refund agent. The invoices or receipts which were attached to the refund
26 form shall be returned to the international traveler, stamped "Sales Tax Refunded".

27 * * *

28 Section 8. R.S. 4:168 and 227 are hereby amended and reenacted to read as follows:

1 §168. License fees, commissions, and taxes of this Part in lieu of all other such
2 taxes

3 The license fees, commissions, and taxes imposed in this Part are in lieu of
4 all other such licenses, sales, excise and occupational taxes to the state or to any
5 parish, city, town, or other political subdivision thereof.

6 * * *

7 §227. License fees, commissions, and taxes of this Part in lieu of all other such
8 taxes

9 The license fees, commissions, and taxes imposed upon an offtrack wagering
10 facility in this Part are in lieu of all other such licenses, sales, excise, and
11 occupational taxes to the state or to any parish, city, town, municipality, or other
12 political subdivision thereof.

13 Section 9. R.S. 12:425 is hereby amended and reenacted to read as follows:

14 §425. Taxation

15 Each cooperative shall pay annually, on or before the first day of July, to the
16 department of revenue, a fee of ten dollars for each one hundred persons or fraction
17 thereof to whom electricity is supplied within the state by it, but shall be exempt
18 from all other excise and income taxes whatsoever.

19 Section 10. R.S. 22:2065 is hereby amended and reenacted to read as follows:

20 §2065. Tax exemption

21 The association shall be exempt from payment of all fees and all taxes levied
22 by this state or any of its subdivisions except taxes levied on real or personal
23 property.

24 Section 11. R.S. 33:4169(D) is hereby amended and reenacted to read as follows:

25 §4169. Collection contracts for sewerage service charges; access charges;
26 enforcement procedures for delinquent charges

27 * * *

28 D. Any municipal corporation, parish, or sewerage or water district shall
29 have the power to execute and enter into a contract with any private company for the

1 construction of sewerage or wastewater treatment facilities and for the operation of
2 such facilities. Any such private company shall have in its construction and
3 operation of such facilities the same ad valorem and sales tax liability exemption as
4 the municipal corporation, parish, or sewerage or water district with which it
5 contracts for such purpose.

6 * * *

7 Section 12. R.S. 40:582.7(introductory paragraph) is hereby amended and reenacted
8 to read as follows:

9 §582.7. Incentives

10 The governing authority and the Department of Revenue shall refund or
11 cause to have refunded, in accordance with rules and regulations adopted by the
12 governing authority and rules and regulations adopted by the Department of
13 Revenue, to eligible persons those local and state sales and use taxes collected as a
14 consequence of the purchase of materials used in the restoration, renovation, or
15 rehabilitation of an existing structure or the construction of a new house and
16 associated improvements in an approved housing development area provided:

17 * * *

18 Section 13. R.S. 47:301(3), (6) through (10), (13) through (16), (18), and (27),
19 302(R)(2) and (3), (S), and (T), 305(A)(2), (4)(a), (5) and (6), (D)(1)(b) through (d), (f)
20 through (i), and (u), (2)(a)(introductory paragraph), (F), and (I), 305.1(A) and (B), 305.6
21 through 305.9, 305.13, 305.14(A)(1), 305.16, 305.17, 305.18(A), 305.19, 305.20(C),
22 305.25(A)(introductory paragraph), 305.26, 305.28(A), 305.33, 305.37(A),
23 305.40(A)(introductory paragraph), 305.41, 305.42, 305.43(A), 305.44(A),
24 305.45(A)(introductory paragraph), 305.47, 305.49, 305.50(A)(1) and (2)(a), (B), (E), and
25 (F), 305.51(A), 305.54(B)(1), 305.57(A), 305.58(A)(1), 305.59, 305.61(A), 305.62(B)(1),
26 305.63, 305.64(A)(1), 305.65(A), 305.66(A), 305.67, 305.68, 305.70, 305.71, 318(A),
27 321(H), (I), (J), and (K), 331(P)(3) and (4), (Q) and (R), and 6001(A) are hereby amended
28 and reenacted to read as follows:

1 §301. Definitions

2 As used in this Chapter the following words, terms, and phrases have the
3 meaning ascribed to them in this Section, unless the context clearly indicates a
4 different meaning:

5 * * *

6 (3)(a) "Cost price" means the actual cost of the articles of tangible personal
7 property without any deductions therefrom on account of the cost of materials used,
8 labor, or service cost, except those service costs for installing the articles of tangible
9 personal property if such cost is separately billed to the customer at the time of
10 installation, transportation charges, or any other expenses whatsoever, or the
11 reasonable market value of the tangible personal property at the time it becomes
12 susceptible to the use tax, whichever is less.

13 (b) In the case of tangible personal property which has acquired a tax situs
14 in a taxing jurisdiction and is thereafter transported outside the taxing jurisdiction for
15 repairs performed outside the taxing jurisdiction and is thereafter returned to the
16 taxing jurisdiction, the cost price shall be deemed to be the actual cost of any parts
17 and/or materials used in performing such repairs, if applicable labor charges are
18 separately stated on the invoice. If the applicable labor charges are not separately
19 stated on the invoice, it shall be presumed that the cost price is the total charge
20 reflected on the invoice.

21 (c) "Cost price" shall not include the supplying and installation of board
22 roads to oil field operators if the installation charges are separately billed to the
23 customer at the time of installation.

24 (d)(i) In the case of interchangeable components located in Louisiana, a
25 taxpayer may elect to determine the cost price of such components as follows:

26 (aa) The taxpayer shall send to the secretary written notice of the calendar
27 month selected by the taxpayer as the first month for the determination of cost price
28 under this Paragraph (the "First Month"). The taxpayer may select any month. The
29 taxpayer shall send to the secretary notice of an election to designate a First Month

1 on the first day of the designated First Month, or ninety days from July 1, 1990,
2 whichever is later.

3 (bb) For the First Month and each month thereafter, cost price shall be based
4 and use tax shall be paid only on one-sixtieth of the aggregate cost price of the
5 interchangeable components deployed and earning revenue within Louisiana during
6 the month, without regard to any credit or other consideration for Louisiana state,
7 political subdivision, or school board use tax previously paid on such
8 interchangeable components.

9 (cc) Any election made under this Paragraph shall be irrevocable for a period
10 of sixty consecutive months inclusive of the First Month. If at any time after the
11 sixty-month period the taxpayer revokes its election, no credit or other consideration
12 for use taxes paid pursuant thereto shall be applied to any use tax liability arising
13 after such revocation.

14 (ii)(aa) For purposes of this Paragraph, "interchangeable component" means
15 a component that is used or stored for use in measurement-while-drilling instruments
16 or systems manufactured or assembled by the taxpayer, which measurement-while-
17 drilling instruments or systems collectively generate eighty percent or more of their
18 annual revenue from their use outside of the state.

19 (bb) "Measurement-while-drilling instruments or systems" means
20 instruments or systems which measure information from a downhole location in a
21 borehole, transmit the information to the surface during the process of drilling the
22 borehole using a wireless technique, and receive and decode the information on the
23 surface.

24 (iii) The method for determining cost price of interchangeable components
25 provided for in this Paragraph shall apply to any use taxes imposed by a local
26 political subdivision or school board. For purposes of that application, the words
27 "political subdivision" or "school board" as the case may be, shall be substituted for
28 the words "Louisiana" or "State" in each instance where those words appear in this

1 Paragraph and an appropriate official of the local political subdivision or school
2 board shall be designated to receive the notices required by this Paragraph.

3 (e) "Cost price" shall not include any amount designated as a cash discount
4 or a rebate by a vendor or manufacturer of any new vehicle subject to the motor
5 vehicle license tax. For purposes of this Paragraph "rebate" means any amount
6 offered by the vendor or manufacturer as a deduction from the listed retail price of
7 the vehicle.

8 (f) The "cost price" of refinery gas shall be fifty-two cents per thousand
9 cubic feet multiplied by a fraction the numerator of which shall be the posted price
10 for a barrel of West Texas Intermediate Crude Oil on December first of the preceding
11 calendar year and the denominator of which shall be twenty-nine dollars, and
12 provided further that such cost price shall be the maximum value placed upon
13 refinery gas by the state and by any political subdivision under any authority or grant
14 of power to levy and collect use taxes.

15 (g) "Cost price", for purposes of the use tax imposed by the state and its
16 political subdivisions, shall exclude any amount that a manufacturer pays directly to
17 a dealer of the manufacturer's product for the purpose of reducing and that actually
18 results in an equivalent reduction in the retail "cost price" of that product. This
19 exclusion shall not apply to the value of the coupons that dealers accept from
20 purchasers as part payment of the "sales price" and that are redeemable by the
21 dealers through manufacturers or their agents. The value of such coupons is deemed
22 to be part of the "cost price" of the product purchased through the use of the coupons.

23 (h)(i) For purposes of a publishing business which distributes its news
24 publications at no cost to readers and pays unrelated third parties to print such news
25 publications, the term "cost price" shall mean only the lesser of the following costs:

26 (aa) The printing cost paid to unrelated third parties to print such news
27 publications, less any itemized freight charges for shipping the news publications
28 from the printer to the publishing business and any itemized charges for paper and
29 ink.

1 (bb) Payments to a dealer or distributor as consideration for distribution of
2 the news publications.

3 (ii) The definition of "cost price" provided for in this Subparagraph shall be
4 applicable to taxes levied by all tax authorities in the state.

5 (i)(i) For purposes of the imposition of the use tax levied by the state and any
6 political subdivision whose boundaries are coterminous with those of the state the
7 cost price of machinery and equipment used by a manufacturer in a plant facility
8 predominately and directly in the actual manufacturing for agricultural purposes or
9 the actual manufacturing process of an item of tangible personal property, which is
10 for ultimate sale to another and not for internal use, at one or more fixed locations
11 within Louisiana, shall be reduced as follows:

12 (aa) For the period ending on June 30, 2005, the cost price shall be reduced
13 by five percent.

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

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

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

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

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

24 (ii) For purposes of this Subparagraph, the following definitions shall apply:

25 (aa) "Machinery and equipment" means tangible personal property or other
26 property that is eligible for depreciation for federal income tax purposes and that is
27 used as an integral part in the manufacturing of tangible personal property for sale.
28 "Machinery and equipment" shall also mean tangible personal property or other
29 property that is eligible for depreciation for federal income tax purposes and that is

1 used as an integral part of the production, processing, and storing of food and fiber
2 or of timber.

3 (I) Machinery and equipment, for purposes of this Subparagraph, also
4 includes but is not limited to the following:

5 (aaa) Computers and software that are an integral part of the machinery and
6 equipment used directly in the manufacturing process.

7 (bbb) Machinery and equipment necessary to control pollution at a plant
8 facility where pollution is produced by the manufacturing operation.

9 (ccc) Machinery and equipment used to test or measure raw materials, the
10 property undergoing manufacturing or the finished product, when such test or
11 measurement is a necessary part of the manufacturing process.

12 (ddd) Machinery and equipment used by an industrial manufacturing plant
13 to generate electric power for self consumption or cogeneration.

14 (eee) Machinery and equipment used primarily to produce a news
15 publication whether it is ultimately sold at retail or for resale or at no cost. Such
16 machinery and equipment shall include but not be limited to all machinery and
17 equipment used primarily in composing, creating, and other prepress operations,
18 electronic transmission of pages from prepress to press, pressroom operations, and
19 mailroom operations and assembly activities. The term "news publication" shall
20 mean any publication issued daily or regularly at average intervals not exceeding
21 three months, which contains reports of varied character, such as political, social,
22 cultural, sports, moral, religious, or subjects of general public interest, and
23 advertising supplements and any other printed matter ultimately distributed with or
24 a part of such publications.

25 (II) Machinery and equipment, for purposes of this Subparagraph, does not
26 include any of the following:

27 (aaa) A building and its structural components, unless the building or
28 structural component is so closely related to the machinery and equipment that it

1 houses or supports that the building or structural component can be expected to be
2 replaced when the machinery and equipment are replaced.

3 (bbb) Heating, ventilation, and air-conditioning systems, unless their
4 installation is necessary to meet the requirements of the manufacturing process, even
5 though the system may provide incidental comfort to employees or serve, to an
6 insubstantial degree, nonproduction activities.

7 (ccc) Tangible personal property used to transport raw materials or
8 manufactured goods prior to the beginning of the manufacturing process or after the
9 manufacturing process is complete.

10 (ddd) Tangible personal property used to store raw materials or
11 manufactured goods prior to the beginning of the manufacturing process or after the
12 manufacturing process is complete.

13 (bb) "Manufacturer" means:

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.

22 (II) A person whose principal activity is manufacturing and who is not
23 required to register with the Louisiana Workforce Commission for purposes of
24 unemployment insurance, but who would be assigned a North American Industrial
25 Classification System code within the agricultural, forestry, fishing, and hunting
26 Sector 11, the manufacturing Sectors 31-33, the information Sector 511110 as they
27 existed in 2002, as determined by the Louisiana Department of Revenue from federal
28 income tax data, if he were required to register with the Louisiana Workforce
29 Commission for purposes of unemployment insurance.

1 (cc) "Manufacturing" means putting raw materials through a series of steps
2 that brings about a change in their composition or physical nature in order to make
3 a new and different item of tangible personal property that will be sold to another.
4 Manufacturing begins at the point at which raw materials reach the first machine or
5 piece of equipment involved in changing the form of the material and ends at the
6 point at which manufacturing has altered the material to its completed form. Placing
7 materials into containers, packages, or wrapping in which they are sold to the
8 ultimate consumer is part of this manufacturing process. Manufacturing, for
9 purposes of this Subparagraph, does not include any of the following:

10 (I) Repackaging or redistributing.

11 (II) The cooking or preparing of food products by a retailer in the regular
12 course of retail trade.

13 (III) The storage of tangible personal property.

14 (IV) The delivery of tangible personal property to or from the plant.

15 (V) The delivery of tangible personal property to or from storage within the
16 plant.

17 (VI) Actions such as sorting, packaging, or shrink wrapping the final
18 material for ease of transporting and shipping.

19 (dd) "Manufacturing for agricultural purposes" means the production,
20 processing, and storing of food and fiber and the production, processing, and storing
21 of timber.

22 (ee) "Plant facility" means a facility, at one or more locations, in which
23 manufacturing, referred to in Sectors 11 and 31-33 of the North American Industrial
24 Classification system as of 2002, of a product of tangible personal property takes
25 place.

26 (ff) "Used directly" means used in the actual process of manufacturing or
27 manufacturing for agricultural purposes.

28 (iii) No person shall be entitled to purchase, use, lease, or rent machinery or
29 equipment as defined herein without payment of the tax imposed by R.S. 47:302,

1 321, and 331 before receiving a certificate of exclusion from the secretary of the
2 Department of Revenue certifying that he is a manufacturer as defined herein.

3 (iv) The secretary of the Department of Revenue is hereby authorized to
4 adopt rules and regulations in order to administer the exclusion provided for in this
5 Subparagraph.

6 (j) For the purpose of the sales and use taxes imposed by the state or any
7 political subdivision whose boundaries are coterminous with those of the state, the
8 "cost price" of electric power or energy, or natural gas for the period beginning July
9 1, 2007 and thereafter, purchased or used by paper or wood products manufacturing
10 facilities shall not include any of such cost.

11 (k)(i) For purposes of the imposition of the sales and use tax levied by the
12 state or any political subdivision whose boundaries are coterminous with those of the
13 state, the tax on the cost price of tangible property consumed in the manufacturing
14 process, such as fuses, belts, felts, wires, conveyor belts, lubricants, and motor oils
15 and the tax on the cost price of repairs and maintenance of manufacturing machinery
16 and equipment shall be reduced as follows:

17 (aa) For the period beginning July 1, 2010, and ending on June 30, 2011, the
18 state sales and use tax on the cost price shall be reduced by twenty-five percent.

19 (bb) For the period beginning July 1, 2011, and ending June 30, 2012, the
20 state sales and use tax on the cost price shall be reduced by fifty percent.

21 (cc) For the period beginning July 1, 2012, and ending June 30, 2013, the
22 state sales and use tax on the cost price shall be reduced by seventy-five percent.

23 (dd) For all periods beginning on and after July 1, 2013, the state sales and
24 use tax on the cost price shall be reduced by one hundred percent.

25 (ii) For purposes of this Subparagraph, "manufacturer" means a person
26 whose principal activity is manufacturing and who is assigned an industry group
27 designation by the United States Census of 3211 through 3222 or 113310 pursuant
28 to the North American Industry Classification System of 2007.

29 * * *

1 (6)(a) "Hotel" means and includes any establishment engaged in the business
2 of furnishing sleeping rooms, cottages, or cabins to transient guests, where such
3 establishment consists of six or more sleeping rooms, cottages, or cabins at a single
4 business location.

5 (b) For purposes of the sales and use taxes of all tax authorities in this state,
6 the term "hotel" as defined herein shall not include camp and retreat facilities owned
7 and operated by nonprofit organizations exempt from federal income tax under
8 Section 501(a) of the Internal Revenue Code as an organization described in Section
9 501(c)(3) of the Internal Revenue Code provided that the net revenue derived from
10 the organizations's property is devoted wholly to the nonprofit organization's
11 purposes. However, for purposes of this Paragraph, the term "hotel" shall include
12 camp and retreat facilities which shall sell rooms or other accommodations to
13 transient guests who are not attending a function of such nonprofit organization that
14 owns and operates the camp and retreat facilities or a function of another nonprofit
15 organization exempt from federal income tax under Section 501(a) of the Internal
16 Revenue Code as an organization described in Section 501(c)(3) of the Internal
17 Revenue Code. It is the intention of the legislature to tax the furnishing of rooms to
18 those who merely purchase lodging at such facilities.

19 (c) For purposes of the sales and use taxes of all tax authorities in this state,
20 the term "hotel", as defined herein, shall not include a temporary lodging facility
21 which is operated by a nonprofit organization described in Section 501(c)(3) of the
22 Internal Revenue Code, provided that the facility is devoted exclusively to the
23 temporary housing, for periods no longer than thirty days' duration, of homeless
24 transient persons whom the organization determines to be financially incapable of
25 engaging lodging at a facility defined by Subparagraph (a) of this Paragraph, and
26 further provided that the lodging charge to such persons is no greater than twenty
27 dollars per day.

28 (7)(a) "Lease or rental" means the leasing or renting of tangible personal
29 property and the possession or use thereof by the lessee or renter, for a consideration,

1 without transfer of the title of such property. For the purpose of the leasing or
2 renting of automobiles, "lease" means the leasing of automobiles and the possession
3 or use thereof by the lessee, for a consideration, without the transfer of the title of
4 such property for a one hundred eighty-day period or more. "Rental" means the
5 renting of automobiles and the possession or use thereof by the renter, for a
6 consideration, without the transfer of the title of such property for a period less than
7 one hundred eighty days.

8 (b) The term "lease or rental", however, as herein defined, shall not mean or
9 include the lease or rental made for the purposes of re-lease or re-rental of casing
10 tools and pipe, drill pipe, tubing, compressors, tanks, pumps, power units, other
11 drilling or related equipment used in connection with the operating, drilling,
12 completion, or reworking of oil, gas, sulphur, or other mineral wells.

13 (c) The term "lease or rental", as herein defined shall not mean or include a
14 lease or rental of property to be used in performance of a contract with the United
15 States Department of the Navy for construction or overhaul of U.S. Naval vessels.

16 (d) The term "lease or rental", as herein defined, shall not mean the lease or
17 rental of airplanes or airplane equipment by a commuter airline domiciled in
18 Louisiana.

19 (e) For purposes of state and political subdivision sales and use tax, the term
20 "lease or rental", as herein defined, shall not mean the lease or rental of items,
21 including but not limited to supplies and equipment, which are reasonably necessary
22 for the operation of free hospitals.

23 (f) For purposes of state and political subdivision sales and use tax, "lease
24 or rental" shall not mean the lease or rental of educational materials or equipment
25 used for classroom instruction by approved parochial and private elementary and
26 secondary schools which comply with the court order from the Dodd Brumfield
27 decision and Section 501(c)(3) of the Internal Revenue Code, limited to books,
28 workbooks, computers, computer software, films, videos, and audio tapes.

1 (g) For purposes of state and political subdivision sales and use tax, "lease
2 or rental" shall not mean the lease or rental of tangible personal property to Boys
3 State of Louisiana, Inc. and Girls State of Louisiana, Inc. which is used by such
4 organizations for their educational and public service programs for youth.

5 (h) For purposes of state and political subdivision sales and use tax, the term
6 "lease or rental" shall not mean or include the lease or rental of motor vehicles by
7 licensed motor vehicle dealers, as defined in R.S. 32:1252(14), or vehicle
8 manufacturers, as defined in R.S. 32:1252(11), for their use in furnishing such leased
9 or rented motor vehicles to their customers in performance of their obligations under
10 warranty agreements associated with the purchase of a motor vehicle or when the
11 applicable warranty has lapsed and the leased or rented motor vehicle is provided to
12 the customer at no charge.

13 (i) For purposes of sales and use taxes levied and imposed by local
14 governmental subdivisions, school boards, and other political subdivisions whose
15 boundaries are not coterminous with those of the state, "lease or rental" by a person
16 shall not mean or include the lease or rental of tangible personal property if such
17 lease or rental is made under the provisions of Medicare.

18 (j) Solely for purposes of the sales and use tax levied by the state or any
19 political subdivision whose boundaries are coterminous with those of the state, the
20 term "lease or rental" shall not include the lease or rental in this state of
21 manufacturing machinery and equipment used or consumed in this state to
22 manufacture, produce, or extract unblended biodiesel.

23 (k)(i) For purposes of any sales, use, or lease tax levied by the state or any
24 political subdivision of the state, the term "lease or rental" shall not include the lease
25 or rental of a crane and related equipment with an operator.

26 (ii) Notwithstanding the provisions of Item (i) of this Subparagraph, cranes
27 leased or rented with an operator are subject to the provisions of the sales and use tax
28 law upon first use in Louisiana.

1 (l)(i) For purposes of the sales and use tax levied by all tax authorities in this
2 state, the term "lease or rental" shall not apply to leases or rentals of pallets which
3 are used in packaging products produced by a manufacturer.

4 (ii) For purposes of this Subparagraph, the term "manufacturer" shall mean
5 a person whose primary activity is manufacturing and who is assigned by the
6 Louisiana Workforce Commission a North American Industrial Classification
7 System code within the manufacturing sectors 31-33 as they existed in 2002.

8 (8)(a) "Person", except as provided in Subparagraph (c), includes any
9 individual, firm, copartnership, joint adventure, association, corporation, estate, trust,
10 business trust, receiver, syndicate, this state, any parish, city and parish,
11 municipality, district or other political subdivision thereof or any board, agency,
12 instrumentality, or other group or combination acting as a unit, and the plural as well
13 as the singular number.

14 (b) Solely for purposes of the payment of state sales or use tax on the lease
15 or rental or the purchase of tangible personal property or services, "person" shall not
16 include a regionally accredited independent institution of higher education which is
17 a member of the Louisiana Association of Independent Colleges and Universities,
18 if such lease or rental or purchase is directly related to the educational mission of
19 such institution. However, the term "person" shall include such institution for
20 purposes of the payment of tax on sales by such institution if the sales are not
21 otherwise exempt.

22 (c)(i) For purposes of the payment of the state sales and use tax and the sales
23 and use tax levied by any political subdivision, "person" shall not include this state,
24 any parish, city and parish, municipality, district, or other political subdivision
25 thereof, or any agency, board, commission, or instrumentality of this state or its
26 political subdivisions.

27 (ii) Upon request by any political subdivision for an exemption identification
28 number, the Department of Revenue shall issue such number. The secretary may

1 promulgate rules and regulations in accordance with the Administrative Procedure
2 Act to carry out the provisions of this Item.

3 (d)(i) For purposes of the payment of the state sales and use tax and the sales
4 and use tax levied by any political subdivision, the term "person" shall not include
5 a church or synagogue that is recognized by the United States Internal Revenue
6 Service as entitled to exemption under Section 501(c)(3) of the United States Internal
7 Revenue Code.

8 (ii) The secretary of the Department of Revenue shall promulgate rules and
9 regulations defining the terms "church" and "synagogue" for purposes of this
10 exclusion. The definitions shall be consistent with the criteria established by the
11 U.S. Internal Revenue Service in identifying organizations that qualify for church
12 status for federal income tax purposes.

13 (iii) No church or synagogue shall claim exemption or exclusion from the
14 state sales and use tax or the sales and use tax levied by any political subdivision
15 before having obtained a certificate of authorization from the secretary of the
16 Department of Revenue. The secretary shall develop applications for such
17 certificates. The certificates shall be issued without charge to the institutions that
18 qualify.

19 (iv) The exclusion from the sales and use tax authorized by this
20 Subparagraph shall apply only to purchases of bibles, song books, or literature used
21 for religious instruction classes.

22 (e)(i) For purposes of the payment of the state sales and use tax and the sales
23 and use tax levied by any political subdivision, the term "person" shall not include
24 the Society of the Little Sisters of the Poor.

25 (ii) The secretary of the Department of Revenue shall promulgate rules and
26 regulations for purposes of this exclusion. The definitions shall be consistent with
27 the criteria established by the U.S. Internal Revenue Service in identifying tax-
28 exempt status for federal income tax purposes.

1 (iii) No member of the Society of the Little Sisters of the Poor shall claim
2 exemption or exclusion from the state sales and use tax or the sales and use tax
3 levied by any political subdivision before having obtained a certificate of
4 authorization from the secretary of the Department of Revenue. The secretary shall
5 develop applications for such certificates. The certificates shall be issued without
6 charge to the entities which qualify.

7 (f)(i) For purposes of the payment of sales and use tax levied by this state
8 and any political subdivision whose boundaries are coterminous with those of the
9 state, the term "person" shall not include a nonprofit entity which sells donated goods
10 and spends seventy-five percent or more of its revenues on directly employing or
11 training for employment persons with disabilities or workplace disadvantages.

12 (ii) The secretary shall promulgate rules and regulations for the use of
13 exclusion certificates for purposes of implementation of this Subparagraph. Each
14 nonprofit entity electing to utilize the exclusion provided for in this Subparagraph
15 shall apply for an exclusion certificate annually. Any exclusion certificate granted
16 by the Department of Revenue shall be effective for a one-year period.

17 (iii) The secretary shall provide forms for nonprofit entities to request an
18 exclusion certificate.

19 (9) "Purchaser" means and includes any person who acquires or receives any
20 tangible personal property, or the privilege of using any tangible personal property,
21 or receives any services pursuant to a transaction subject to tax under this Chapter.

22 (10)(a)(i) Solely for the purposes of the imposition of the state sales and use
23 tax, "retail sale" or "sale at retail" means a sale to a consumer or to any other person
24 for any purpose other than for resale as tangible personal property, or for the lease
25 of automobiles in an arm's length transaction, and shall mean and include all such
26 transactions as the secretary, upon investigation, finds to be in lieu of sales; provided
27 that sales for resale or for lease of automobiles in an arm's length transaction must
28 be made in strict compliance with the rules and regulations. Any dealer making a

1 sale for resale or for the lease of automobiles, which is not in strict compliance with
2 the rules and regulations, shall himself be liable for and pay the tax.

3 (ii) Solely for purposes of the imposition of the sales and use tax levied by
4 a political subdivision or school board, "retail sale" or "sale at retail" shall mean a
5 sale to a consumer or to any other person for any purpose other than for resale in the
6 form of tangible personal property, or resale of those services defined in Paragraph
7 (14) of this Section provided the retail sale of the service is subject to sales tax in this
8 state, and shall mean and include all such transactions as the collector, upon
9 investigation, finds to be in lieu of sales; provided that sales for resale be made in
10 strict compliance with the rules and regulations. Any dealer making a sale for resale,
11 which is not in strict compliance with the rules and regulations shall himself be liable
12 for and pay the tax. A local collector shall accept a resale certificate issued by the
13 Department of Revenue, provided the taxpayer includes the parish of its principal
14 place of business and local sales tax account number on the state certificate.
15 However, in the case of an intra-parish transaction from dealer to dealer, the
16 collector may require that the local exemption certificate be used in lieu of the state
17 certificate. The department shall accommodate the inclusion of such information on
18 its resale certificate for such purposes.

19 (iii) "Retail sale" or "sale at retail" for purposes of sales and use taxes
20 imposed by the state tax on transactions involving the sale for rental of automobiles
21 which take place on or after January 1, 1991, and by political subdivisions on such
22 transactions on or after July 1, 1996, and state sales and use taxes imposed tax on
23 transactions involving the lease or rental of tangible personal property other than
24 automobiles which take place on or after July 1, 1991, means a sale to a consumer
25 or to any other person for any purpose other than for resale as tangible personal
26 property, or for lease or rental in an arm's length transaction in the form of tangible
27 personal property, and shall mean and include all such transactions as the secretary,
28 upon investigation, finds to be in lieu of sales; provided that sales for resale or for
29 lease or rental in an arm's length transaction must be made in strict compliance with

1 the rules and regulations. Any dealer making a sale for resale or for lease or rental,
2 which is not in strict compliance with the rules and regulations, shall himself be
3 liable for and pay the tax. For purposes of the imposition of the tax imposed by any
4 political subdivision of the state, for the period beginning on July 1, 1999, and
5 ending on June 30, 2000, the term "retail sale" or "sale at retail" shall not include
6 one-fourth of the sales price of any tangible personal property which is sold in order
7 to be leased or rented in an arm's length transaction in the form of tangible personal
8 property. For purposes of the imposition of the tax imposed by any political
9 subdivision of the state, for the period beginning on July 1, 2000, and ending on June
10 30, 2001, the term "retail sale" or "sale at retail" shall not include one-half of the
11 sales price of any tangible personal property which is sold in order to be leased or
12 rented in an arm's length transaction in the form of tangible personal property. For
13 purposes of the imposition of the tax imposed by any political subdivision of the
14 state, for the period beginning on July 1, 2001, and ending on June 30, 2002, the
15 term "retail sale" or "sale at retail" shall not include three-fourths of the sales price
16 of any tangible personal property which is sold in order to be leased or rented in an
17 arm's length transaction in the form of tangible personal property. Beginning July
18 1, 2002, for the purposes of imposition of the tax levied by any political subdivision
19 of the state, the term "retail sale" or "sale at retail" shall not include the sale of any
20 tangible personal property which is sold in order to be leased or rented in an arm's
21 length transaction in the form of tangible personal property.

22 (iv) "Retail sale" or "sale at retail", for purposes of sales and use taxes
23 imposed by the state on transactions involving the sale for rental of automobiles
24 which take place prior to January 1, 1991, and by political subdivisions on such
25 transactions prior to July 1, 1996, and imposed on transactions involving the lease
26 or rental of tangible personal property other than autos which take place prior to July
27 1, 1991, and for purposes of local sales and use taxes levied by political subdivisions
28 except for transactions involving the sale for rental of automobiles on or after July
29 1, 1996, means a sale to a consumer or to any other person for any purpose other

1 than for resale in the form of tangible personal property, and shall mean and include
2 all such transactions as the secretary, upon investigation, finds to be in lieu of sales;
3 provided that sales for resale must be made in strict compliance with the rules and
4 regulations. Any dealer making a sale for resale, which is not in strict compliance
5 with the rules and regulations, shall himself be liable for and pay the tax. However,
6 contrary provisions of law notwithstanding, any political subdivision may, by
7 ordinance, adopt the definition of "retail sale" or "sale at retail" provided in Item (iii)
8 of this Subparagraph for purposes of the imposition of its sales and use tax.

9 (v) Became null and void on June 30, 2006.

10 (vi) Solely for purposes of the payment of state sales and use tax, until
11 January 1, 2007, the term "sale at retail" shall not include purchases made in
12 connection with the filming or production of a motion picture by a motion picture
13 production company which has been relieved from the payment of state sales and use
14 tax under the provisions of Chapter 12 of Subtitle II of this Title, also known as the
15 "Louisiana Motion Picture Incentive Act". This exclusion shall be retroactively
16 revoked if it is determined that a motion picture production company that has been
17 relieved from payment of state sales and use tax under Chapter 12 failed to meet the
18 conditions of such relief.

19 (b)(i) Solely for purposes of the sales and use tax levied by the state, the sale
20 of tangible personal property to a dealer who purchases said property for resale
21 through coin-operated vending machines shall be considered a "sale at retail", subject
22 to such tax. The subsequent resale of the property by the dealer through
23 coin-operated vending machines shall not be considered a "sale at retail".

24 (ii) Solely for purposes of the sales and use tax levied by political
25 subdivisions, the term "sale at retail" shall include the sale of tangible personal
26 property by a dealer through coin-operated vending machines.

27 (c)(i)(aa) The term "sale at retail" does not include sale of materials for
28 further processing into articles of tangible personal property for sale at retail.

1 (bb) Solely for purposes of the sales and use tax levied by the state, natural
2 gas when used in the production of iron in the process known as the "direct reduced
3 iron process" is not a catalyst and is recognized by the legislature to be a material for
4 further processing into an article of tangible personal property for sale at retail.

5 (ii)(aa) Solely for purposes of the sales and use tax levied by the state, the
6 term "sale at retail" does not include sales of electricity for chlor-alkali
7 manufacturing processes.

8 (bb) The term "sale at retail" does not include an isolated or occasional sale
9 of tangible personal property by a person not engaged in such business.

10 (d) The term "sale at retail" does not include the sale of any human tissue
11 transplants, which shall be defined to include all human organs, bone, skin, cornea,
12 blood, or blood products transplanted from one individual into another recipient
13 individual.

14 (e) The term "sale at retail" does not include the sale of raw agricultural
15 commodities, including but not limited to feed, seed, and fertilizer, to be utilized in
16 preparing, finishing, manufacturing, or producing crops or animals for market. The
17 Department of Agriculture and Forestry may develop and promulgate guidelines to
18 determine who meets this definition. Any person meeting such guidelines shall
19 receive a certificate from the Department of Agriculture and Forestry indicating that
20 such person is eligible to purchase such items without paying tax thereon.

21 (f) Notwithstanding any other law to the contrary, for purposes of the
22 imposition of the sales and use tax of any political subdivision, the sale of a vehicle
23 subject to the Vehicle Registration License Tax Law (R.S. 47:451 et seq.) shall be
24 deemed to be a "retail sale" or a "sale at retail":

25 (i) In the political subdivision of the principal residence of the purchaser if
26 the vehicle is purchased for private use, or

27 (ii) In the political subdivision of the principal location of the business if the
28 vehicle is purchased for commercial use, unless the vehicle purchased for
29 commercial use is assigned, garaged, and used outside of such political subdivision,

1 in which case the sale shall be deemed a "retail sale" or a "sale at retail" in the
2 political subdivision where the vehicle is assigned, garaged, and used.

3 (g) The term "retail sale" does not include a sale of corporeal movable
4 property which is intended for future sale to the United States government or its
5 agencies, when title to such property is transferred to the United States government
6 or its agencies prior to the incorporation of that property into a final product.

7 (h) The term "sale at retail" does not include the sale of food items by youth
8 serving organizations chartered by congress.

9 (i) The term "sale at retail" does not include the purchase of a new school bus
10 or a used school bus which is less than five years old by an independent operator,
11 when such bus is to be used exclusively in a public school system. This exclusion
12 shall apply to all sales and use taxes levied by any local political subdivision.

13 (j) The term "sale at retail" does not include the sale of tangible personal
14 property to food banks, as defined in R.S. 9:2799.

15 (k) The term "sale at retail" shall not include the sale of airplanes or airplane
16 equipment or parts to a commuter airline domiciled in Louisiana.

17 (l) Solely for purposes of the state sales and use tax, the term "sale at retail"
18 shall not include the sale of a pollution control device or system. Pollution control
19 device or system shall mean any tangible personal property approved by the
20 Department of Revenue and the Department of Environmental Quality and sold or
21 leased and used or intended for the purpose of eliminating, preventing, treating, or
22 reducing the volume or toxicity or potential hazards of industrial pollution of air,
23 water, groundwater, noise, solid waste, or hazardous waste in the state of Louisiana.
24 For the purposes of any sales and use tax levied by a political subdivision, the term
25 "sale at retail" shall include the sale of a pollution control device or system. In order
26 to qualify, the pollution control device or system must demonstrate either: a net
27 decrease in the volume or toxicity or potential hazards of pollution as a result of the
28 installation of the device or system; or that installation is necessary to comply with
29 federal or state environmental laws or regulations.

1 (m) For purposes of sales and use taxes imposed or levied by the state or any
2 political subdivision, the term "sale at retail" shall not include the sales of Louisiana-
3 manufactured or Louisiana-assembled passenger aircraft with a maximum capacity
4 of eight persons, if, after all transportation, including transportation by the purchaser,
5 has been completed, the aircraft is ultimately received by the purchaser outside of
6 Louisiana. The place at which the aircraft is ultimately received shall be considered
7 as the place at which the aircraft is stored after all transportation has been completed.

8 (n) For purposes of sales and use taxes imposed or levied by the state or any
9 political subdivision thereof, the term "sale at retail" shall not include the sales of
10 pelletized paper waste when purchased for use as combustible fuel by an electric
11 utility or in an industrial manufacturing, processing, compounding, reuse, or
12 production process, including the generation of electricity or process steam, at a
13 fixed location in this state. However, such sale shall not be excluded unless the
14 purchaser has signed a certificate stating that the fuel purchased is for the exclusive
15 use designated herein. For purposes of this Subparagraph, "pelletized paper waste"
16 means pellets produced from discarded waste paper that has been diverted or
17 removed from solid waste which is not marketable for recycling and which is wetted,
18 extruded, shredded, or formulated into compact pellets of various sizes for use as a
19 supplemental fuel in a permitted boiler.

20 (o) For the purposes of sales and use taxes imposed or levied by the state or
21 any local governmental subdivision or school board, the term "sale at retail" shall not
22 include the sale or purchase of equipment used in fire fighting by bona fide volunteer
23 and public fire departments.

24 (p) For purposes of state and political subdivision sales and use tax, the term
25 "sale at retail" shall not include the sale of items, including but not limited to
26 supplies and equipment, or the sale of services as provided in this Section, which are
27 reasonably necessary for the operation of free hospitals.

28 (q) For purposes of state and political subdivision sales and use tax, the term
29 "sale at retail" shall not include:

1 (i) The sale of tangible personal property by approved parochial and private
2 elementary and secondary schools which comply with the court order from the Dodd
3 Brumfield decision and Section 501(c)(3) of the Internal Revenue Code, or students,
4 administrators, or teachers, or other employees of the school, if the money from such
5 sales, less reasonable and necessary expenses associated with the sale, is used solely
6 and exclusively to support the school or its program or curricula. This exclusion
7 shall not be construed to allow tax-free sales to students or their families by
8 promoters or regular commercial dealers through the use of schools, school faculty,
9 or school facilities.

10 (ii) The sale to approved parochial and private elementary and secondary
11 schools which comply with the court order from the Dodd Brumfield decision and
12 Section 501(c)(3) of the Internal Revenue Code of educational materials or
13 equipment used for classroom instruction limited to books, workbooks, computers,
14 computer software, films, videos, and audio tapes.

15 (r) For purposes of state and political subdivision sales and use tax, the term
16 "sale at retail" shall not include the sale of tangible personal property to Boys State
17 of Louisiana, Inc. and Girls State of Louisiana, Inc. which is used by such
18 organizations for their educational and public service programs for youth.

19 (s) The term "sale at retail" or "retail sale", for purposes of sales and use
20 taxes imposed by the state or any political subdivision or other taxing entity, shall
21 not include any charge, fee, money, or other consideration received, given, or paid
22 for the performance of funeral directing services. For purposes of this Subparagraph,
23 "funeral directing services" means the operation of a funeral home, or by way of
24 illustration and not limitation, any service whatsoever connected with the
25 management of funerals, or the supervision of hearses or funeral cars, the cleaning
26 or dressing of dead human bodies for burial, and the performance or supervision of
27 any service or act connected with the management of funerals from time of death
28 until the body or bodies are delivered to the cemetery, crematorium, or other agent
29 for the purpose of disposition. However, such services shall not mean or include the

1 sale, lease, rental, or use of any tangible personal property as those terms are defined
2 in this Section.

3 (t) For purposes of sales and use taxes levied by the state or any political
4 subdivision of the state, the term "sale at retail" shall not include the transfer of title
5 to or possession of telephone directories by an advertising company that is not
6 affiliated with a provider of telephone services if the telephone directories will be
7 distributed free of charge to the recipients of the telephone directories.

8 (u) For purposes of sales and use taxes levied and imposed by local
9 governmental subdivisions, school boards, and other political subdivisions whose
10 boundaries are not coterminous with those of the state, "sale at retail" by a person
11 shall not mean or include the sale of tangible personal property if such sale is made
12 under the provisions of Medicare.

13 (v) For purposes of the imposition of sales and use taxes imposed or levied
14 by all taxing authorities in the state, in the case of the sale or other disposition by a
15 dealer of any cellular, PCS, or wireless telephone, or any electronic accessories that
16 are physically connected with such telephones and personal communication devices
17 used in connection with the sale or use of mobile telecommunications services, the
18 term "retail sale" or "sale at retail" shall mean and include the sale or any other
19 disposition of such cellular, PCS, or wireless telephone, any electronic accessories
20 that are physically connected with such telephones and personal communication
21 devices by the dealer to the purchaser, but shall not mean or include the withdrawal,
22 use, distribution, consumption, storage, donation, or any other disposition of any
23 such cellular, PCS, or wireless telephone, any electronic accessories that are
24 physically connected with such telephones, and personal communication devices by
25 the dealer.

26 (w) For purposes of the imposition of sales and use taxes imposed or levied
27 by any political subdivision of the state, in the case of the sale or other disposition
28 by a dealer of any cellular telephone, PCS telephone, wireless telephone, or other
29 wireless personal communication device that is used in connection with the sale or

1 use of mobile telecommunications services, or any electronic accessory that is
2 physically connected with any such telephone or personal communication device, the
3 term "retail sale" or "sale at retail" shall mean and include the sale or any other
4 disposition of any such telephone, other personal communication device, or
5 electronic accessory.

6 (x) For purposes of the sales and use tax imposed by the state or any political
7 subdivision whose boundaries are coterminous with those of the state, the terms
8 "retail sale" or "sale at retail" shall not include the following:

9 (i) The sale or purchase by a person of any fuel or gas, including but not
10 limited to butane and propane.

11 (ii) Beginning July 1, 2008, the sale or purchase by any person of butane and
12 propane.

13 (y)(i) Solely for the purposes of sales and use taxes levied by the state or any
14 political subdivision whose boundaries are coterminous with those of the state, the
15 term "sale at retail" shall not include the sale of manufacturing machinery and
16 equipment used or consumed in this state to manufacture, produce, or extract
17 unblended biodiesel.

18 (ii) As used in this Subparagraph, the following words and phrases have the
19 meaning ascribed to them:

20 (aa) "Manufacturing machinery and equipment" means tangible property
21 used or consumed, or held for use or consumption, as an integral part of a biodiesel
22 manufacturing, production, or extraction facility, process, or item of equipment.
23 Property shall be considered to be an integral part of such biodiesel manufacturing,
24 production, or extraction facility, process, or item of equipment only if such property
25 is used or consumed directly in the manufacturing, production, or extraction process
26 or is part of, physically attached to, or otherwise directly associated with such
27 property. Property, the installation of which is reasonably necessary for the proper
28 installation, operation, maintenance of property which directly results in such

1 manufacturing, production, or extraction shall be considered as directly associated
2 with such property.

3 (bb) "Unblended biodiesel" means a fuel comprised of mono-alkyl esters of
4 long chain fatty acids derived from vegetable oils or animal fats, designated B100,
5 and meeting the requirements of the definition provided for in D 6751 of the
6 American Society of Testing and Materials (ATDM D 6751), before such fuel is
7 blended with a petroleum-based diesel fuel.

8 (z) Solely for the purposes of sales and use taxes levied by the state or any
9 political subdivision whose boundaries are coterminous with those of the state, the
10 term "sale at retail" shall not include the sale of any alternative substance when such
11 alternative substance is used as a fuel by a manufacturer. "Alternative substance"
12 means any substance other than oil and natural gas and any product of oil and natural
13 gas. "Alternative substance" shall include petroleum coke, landfill gas, reclaimed
14 or waste oil, unblended biodiesel, or tire-derived fuel, but not coal, lignite, refinery
15 gas, nuclear fuel, or electricity. "Manufacturer" means a person whose principal
16 activity is manufacturing and who is assigned by the Louisiana Workforce
17 Commission a North American Industrial Classification System code with the
18 agricultural, forestry, fishing, and hunting Sector 11 or the manufacturing Sectors 31-
19 33 as they existed in 2002.

20 (aa)(i) For purposes of sales and use taxes imposed or levied by the state or
21 any political subdivision of the state, the term "sale at retail" shall not include the
22 sale of toys to a non-profit organization exempt from federal taxation pursuant to
23 Section 501(c)(3) of the Internal Revenue Code if the sole purpose of the purchasing
24 organization is to donate toys to minors and the toys are, in fact, donated.

25 (ii) The exclusion provided in this Subparagraph shall not apply if the
26 donation is intended to ultimately yield a profit to a promoter of the organization or
27 to any individual contracted to provide services or equipment, or both, to the
28 organization.

1 (iii) A certificate of exclusion shall be obtained from the secretary or the tax
2 collector of the political subdivision, under such regulations as he shall prescribe, in
3 order for nonprofit organizations to qualify for the exclusion provided for in this
4 Subparagraph.

5 (bb) For purposes of sales and use taxes imposed or levied by the state, the
6 terms "retail sale" and "sale at retail" shall not include sales of natural gas to be held,
7 used, or consumed in providing natural gas storage services or operating natural gas
8 storage facilities.

9 (cc) For purposes of the sales and use tax imposed by the state or any
10 political subdivision of the state, the terms "retail sale" or "sale at retail" shall not
11 mean or include the purchase of textbooks and course-related software by a private
12 postsecondary academic degree-granting institution, accredited by a national or
13 regional commission that is recognized by the United States Department of
14 Education and is licensed by the Board of Regents, which institution has its main
15 location within this state and offers only online instruction, when all of the following
16 apply:

17 (i) The textbooks and course-related software are physically outside of this
18 state when purchased from a vendor outside of this state and then imported into this
19 state.

20 (ii) The first student use of the textbooks and course-related software occurs
21 outside of this state.

22 (iii) The textbooks and course-related software are provided to the student
23 free of charge.

24 (dd) For purposes of sales and use taxes imposed or levied by the state, the
25 terms "retail sale" or "sale at retail" shall not include the purchase of food items for
26 school lunch or breakfast programs by nonpublic elementary or secondary schools
27 which participate in the National School Lunch and School Breakfast programs or
28 the purchase of food items by nonprofit corporations which serve students in

1 nonpublic elementary or secondary schools and which participate in the National
2 School Lunch and School Breakfast programs.

3 (ee)(i) Solely for the purposes of the imposition of the state sales and use tax,
4 the term "retail sale" and "sale at retail" shall not include the sale of any storm
5 shutter device.

6 (ii) As used in this Subparagraph, "storm shutter device" means materials
7 and products manufactured, rated, and marketed specifically for the purpose of
8 preventing window damage from storms.

9 (iii) The secretary of the Department of Revenue, in consultation with the
10 Department of Insurance, shall promulgate such rules and regulations in accordance
11 with the Administrative Procedure Act as may be necessary to carry out the
12 provisions of this Subparagraph.

13 (ff) For purposes of sales taxes imposed by the state or any political
14 subdivision of the state, the term "retail sale" or "sale at retail" shall not include sales
15 of tangible personal property by the Military Department, state of Louisiana, which
16 occur on an installation or other property owned or operated by the Military
17 Department.

18 (gg) For purposes of sales and use tax imposed by the state or any political
19 subdivision of the state, the term "sale at retail" shall not include the sale of
20 anthropogenic carbon dioxide for use in a qualified tertiary recovery project
21 approved by the assistant secretary of the office of conservation of the Department
22 of Natural Resources pursuant to R.S. 47:633.4.

23 (hh) For purposes of sales and use tax imposed by the state, any political
24 subdivision whose boundaries are coterminous with those of the state, or any other
25 political subdivision, the term "sale at retail" shall not include the sale of tangible
26 personal property at an event providing Louisiana heritage, culture, crafts, art, food,
27 and music which is sponsored by a domestic nonprofit organization that is exempt
28 from tax under Section 501(c)(3) of the Internal Revenue Code. The provisions of
29 this Subparagraph shall apply only to an event which transpires over a minimum of

1 seven but not more than twelve days and has a five-year annual average attendance
2 of at least three hundred thousand over the duration of the event. For purposes of
3 determining the five-year annual average attendance, the calculation shall include the
4 total annual attendance for each of the five most recent years. The provisions of this
5 Subparagraph shall apply only to sales by the sponsor of the event.

6 * * *

7 (13)(a) "Sales price" means the total amount for which tangible personal
8 property is sold, less the market value of any article traded in including any services,
9 except services for financing, that are a part of the sale valued in money, whether
10 paid in money or otherwise, and includes the cost of materials used, labor or service
11 costs, except costs for financing which shall not exceed the legal interest rate and a
12 service charge not to exceed six percent of the amount financed, and losses; provided
13 that cash discounts allowed and taken on sales shall not be included, nor shall the
14 sales price include the amount charged for labor or services rendered in installing,
15 applying, remodeling, or repairing property sold.

16 (b) The term "sales price" shall not include any amount designated as a cash
17 discount or a rebate by the vendor or manufacturer of any new vehicle subject to the
18 motor vehicle license tax. For purposes of this Paragraph "rebate" means any
19 amount offered by a vendor or manufacturer as a deduction from the listed retail
20 price of the vehicle.

21 (c) "Sales price", shall not include the first fifty thousand dollars of the sale
22 price of new farm equipment used in poultry production.

23 (d) Notwithstanding any other provision of law to the contrary, for purposes
24 of state and political subdivision sales and use tax, the "sales price" of refinery gas,
25 except for feedstock, not ultimately consumed as an energy source by the person who
26 owns the facility in which the refinery gas is created as provided for in Subparagraph
27 (18)(d) of this Section, but sold to another person, whether at retail or wholesale,
28 shall be fifty-two cents per thousand cubic feet multiplied by a fraction the
29 numerator of which shall be the posted price for a barrel of West Texas Intermediate

1 Crude Oil on December first of the preceding calendar year and the denominator of
2 which shall be twenty-nine dollars, and provided further that such sales price shall
3 be the maximum value placed upon refinery gas by the state and by any political
4 subdivision under any authority or grant of power to levy and collect sales or use
5 taxes, and such sale shall be taxable.

6 (e) The term "sales price", for purposes of the sales tax imposed by the state
7 and its political subdivisions, shall exclude any amount that a manufacturer pays
8 directly to a dealer of the manufacturer's product for the purpose of reducing and that
9 actually results in an equivalent reduction in the retail "sales price" of that product.
10 This exclusion shall not apply to the value of the manufacturer's coupons that dealers
11 accept from purchasers as part payment of the "sales price" and that are redeemable
12 by the dealers through manufacturers or their agents. The value of such coupons is
13 deemed to be part of the "sales price" of the product purchased through the use of the
14 coupons.

15 (f) The term "sales price" shall exclude any charge, fee, money, or other
16 consideration received, given, or paid for the performance of funeral directing
17 services as defined in Subparagraph (10)(s) of this Section.

18 (g) For purposes of the imposition of sales and use taxes imposed or levied
19 by all taxing authorities in the state, in the case of the retail sale by a dealer of any
20 cellular, PCS, or wireless telephone, any electronic accessories that are physically
21 connected with such telephones and personal communications devices used in
22 connection with the sale or use of mobile telecommunications services, as defined
23 in R.S. 47:301(10)(v), the term "sales price" shall mean and include only the amount
24 of money, if any, actually received by the dealer from the purchaser for each such
25 cellular, PCS, or wireless telephone and any electronic accessories that are physically
26 connected with such telephones and personal communication devices, but shall not
27 include (i) any amount received by the dealer from the purchaser for providing
28 mobile telecommunications services, or (ii) any commissions, fees, rebates, or other
29 amounts received by the dealer from any source other than the purchaser as a result

1 of or in connection with the sale of the cellular, PCS, or wireless telephone, any
2 electronic accessories that are physically connected with such telephones and
3 personal communication devices.

4 (h) For the purpose of the imposition of sales and use tax imposed or levied
5 by all taxing authorities in the state of any cellular, PCS, or wireless telephone used
6 in connection with the sale or use of mobile telecommunications services, as defined
7 in R.S. 47:301(10)(v), after January 1, 2002, the term "sales price" shall mean and
8 include the greater of (i) the amount of money actually received by the dealer from
9 the purchaser for each such telephone, or (ii) twenty-five percent of the cost of such
10 telephone to the dealer, but shall not include any amount received by the dealer from
11 the purchaser for providing mobile telecommunications services or any
12 commissions, fees, rebates, or other amounts received by the dealer from any source
13 other than the purchaser as a result of or in connection with the sale of the telephone.

14 (i)(i) For purposes of a publishing business which distributes its news
15 publications at no cost to readers and pays unrelated third parties to print such news
16 publications, the term "sales price" shall mean only the lesser of the following costs:

17 (aa) The printing cost paid to unrelated third parties to print such news
18 publications, less any itemized freight charges for shipping the news publications
19 from the printer to the publishing business and any itemized charges for paper and
20 ink.

21 (bb) Payments to a dealer or distributor as consideration for distribution of
22 the news publications.

23 (ii) The definition of "sales price" provided for in this Subparagraph shall be
24 applicable to taxes levied by all tax authorities in the state.

25 (j) For the purpose of the imposition of sales and use tax imposed or levied
26 by any political subdivision of the state, in the case of any retail sale or sale at retail,
27 of any cellular telephone, PCS telephone, or wireless telephone used in connection
28 with the sale or use of mobile telecommunications services, as defined in R.S.
29 47:301(10)(w), or any electronic accessory that is physically connected with any

1 such telephone or personal communication device, the term "sales price" shall mean
2 and include the greater of (i) the amount of money, if any, actually received by the
3 dealer from the purchaser at the time of the retail sale or sale at retail by the dealer
4 to the purchaser for each such telephone, personal communication device, or
5 electronic accessory, or (ii) twenty-five percent of the cost of such telephone to the
6 dealer, but shall not include any amount received by the dealer from the purchaser
7 for providing mobile telecommunications services or any commissions, fees, rebates,
8 activation charges, or other amounts received by the dealer from any source other
9 than the purchaser as a result of or in connection with the sale of the telephone.

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

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

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

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

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

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

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

1 (ii) For purposes of this Subparagraph, "machinery and equipment",
2 "manufacturer", "manufacturing", "manufacturing for agricultural purposes", "plant
3 facility", and "used directly" shall have the same meaning as defined in R.S.
4 47:301(3)(i)(ii).

5 (iii) No person shall be entitled to purchase, use, lease, or rent machinery or
6 equipment as defined herein without payment of the tax imposed by R.S. 47:302,
7 321, and 331 before receiving a certificate of exclusion from the secretary of the
8 Department of Revenue certifying that he is a manufacturer as defined herein.

9 (iv) The secretary of the Department of Revenue is hereby authorized to
10 adopt rules and regulations in order to administer the exclusion provided for in this
11 Subparagraph.

12 (l)(i) For purposes of the payment of the state sales and use tax and the sales
13 and use tax levied by any political subdivision, the term "sales price" shall not
14 include the price of specialty items sold to members for fund-raising purposes by
15 nonprofit carnival organizations domiciled within Louisiana and participating in a
16 parade sponsored by a carnival organization.

17 (ii) The secretary of the Department of Revenue shall promulgate rules and
18 regulations for purposes of this exclusion.

19 (iii) No nonprofit carnival organization domiciled within Louisiana and
20 participating in a parade sponsored by a carnival organization shall claim exemption
21 or exclusion from the state sales and use tax or the sales and use tax levied by any
22 political subdivision before having obtained a certificate of authorization from the
23 secretary of the Department of Revenue. The secretary shall develop applications
24 for such certificates. The certificates shall be issued without charge to the entities
25 which qualify.

26 (m) For purposes of the sales and use tax imposed by the state or any
27 political subdivision whose boundaries are coterminous with those of the state, the
28 "sales price" of electric power or energy, or natural gas for the period beginning July

1 1, 2007, and thereafter, sold for use by paper or wood products manufacturing
2 facilities shall not include any of such price.

3 (14) "Sales of services" means and includes the following:

4 (a) The furnishing of sleeping rooms, cottages or cabins by hotels.

5 (b)(i) The sale of admissions to places of amusement, to athletic
6 entertainment other than that of schools, colleges, and universities, and recreational
7 events, and the furnishing, for dues, fees, or other consideration of the privilege of
8 access to clubs or the privilege of having access to or the use of amusement,
9 entertainment, athletic, or recreational facilities; but, the term "sales of services" shall
10 not include membership fees or dues of nonprofit, civic organizations, including by
11 way of illustration and not of limitation the Young Men's Christian Association, the
12 Catholic Youth Organization, and the Young Women's Christian Association.

13 (ii) Places of amusement shall not include "museums", which are hereby
14 defined as public or private nonprofit institutions which are organized on a permanent
15 basis for essentially educational or aesthetic purposes and which use professional staff
16 to do all of the following:

17 (aa) Own or use tangible objects, whether animate or inanimate.

18 (bb) Care for those objects.

19 (cc) Exhibit them to the public on a regular basis.

20 (iii) Museums include but are not limited to the following institutions:

21 (aa) Museums relating to art, history, including historic buildings, natural
22 history, science, and technology.

23 (bb) Aquariums and zoological parks.

24 (cc) Botanical gardens and arboretums.

25 (dd) Nature centers.

26 (ee) Planetariums.

27 (iv) For purposes of the sales and use taxes of all tax authorities in the state,
28 the term "places of amusement" as used herein shall not include camp and retreat
29 facilities owned and operated by nonprofit organizations exempt from federal income

1 tax under Section 501(a) of the Internal Revenue Code as an organization described
2 in Section 501(c)(3) of the Internal Revenue Code provided that the net revenue
3 derived from the organization's property is devoted wholly to the nonprofit
4 organization's purposes.

5 (c) The furnishing of storage or parking privileges by auto hotels and parking
6 lots.

7 (d) The furnishing of printing or overprinting, lithographic, multilith, blue
8 printing, photostating or other similar services of reproducing written or graphic
9 matter.

10 (e) The furnishing of laundry, cleaning, pressing and dyeing services,
11 including by way of extension and not of limitation, the cleaning and renovation of
12 clothing, furs, furniture, carpets and rugs, and the furnishing of storage space for
13 clothing, furs, and rugs. The service shall be taxable at the location where the
14 laundered, cleaned, pressed, or dyed article is returned to the customer.

15 (f) The furnishing of cold storage space, except that space which is furnished
16 pursuant to a bailment arrangement, and the furnishing of the service of preparing
17 tangible personal property for cold storage where such service is incidental to the
18 operation of storage facilities.

19 (g)(i)(aa) The furnishing of repairs to tangible personal property, including
20 but not restricted to the repair and servicing of automobiles and other vehicles,
21 electrical and mechanical appliances and equipment, watches, jewelry, refrigerators,
22 radios, shoes, and office appliances and equipment.

23 (bb)(I) For purposes of the sales and use tax levied by the state and by tax
24 authorities in East Feliciana Parish, charges for the furnishing of repairs to tangible
25 personal property shall be excluded from sales of services, as defined in this
26 Subparagraph, when the repaired property is (1) delivered to a common carrier or to
27 the United States Post Office for transportation outside the state, or (2) delivered
28 outside the state by use of the repair dealer's own vehicle or by use of an independent
29 trucker. However, as to aircraft, delivery may be by the best available means. This

1 exclusion shall not apply to sales and use taxes levied by any other parish,
2 municipality or school board. However, any other parish, municipality or school
3 board may apply the exclusion as defined in this Subparagraph to sales or use taxes
4 levied by any such parish, municipality, or school board. Offshore areas shall not be
5 considered another state for the purpose of this Subparagraph.

6 (II) For purposes of the sales and use tax levied by the tax authorities in
7 Calcasieu Parish, charges for the furnishing of repairs to aircraft shall be excluded
8 from sales of services, as defined in this Subparagraph, provided that the repairs are
9 performed at an airport with a runway that is at least ten thousand feet long, one
10 hundred sixty feet wide, and fourteen inches thick.

11 (ii) For the purposes of this Subparagraph, tangible personal property shall
12 include machinery, appliances, and equipment which have been declared immovable
13 by declaration under the provisions of Article 467 of the Louisiana Civil Code, and
14 things which have been separated from land, buildings, or other constructions
15 permanently attached to the ground or their component parts as defined in Article 466
16 of the Civil Code.

17 (iii)(aa) For purposes of the sales and use taxes imposed by the state or any
18 of its political subdivisions, sale of services shall not include the labor, or sale of
19 materials, services, and supplies, used for the repairing, renovating, or converting of
20 any drilling rig, or machinery and equipment which are component parts thereof,
21 which is used exclusively for the exploration or development of minerals outside the
22 territorial limits of the state in Outer Continental Shelf waters.

23 (bb) For the purposes of this Subitem, "drilling rig" means any unit or
24 structure, along with its component parts, which is used primarily for drilling,
25 workover, intervention or remediation of wells used for exploration or development
26 of minerals and "component parts" means any machinery or equipment necessary for
27 a drilling rig to perform its exclusive function of exploration or development of
28 minerals.

1 (h) The term "sale of service" shall not include an action performed pursuant
2 to a contract with the United States Department of the Navy for construction or
3 overhaul of U.S. Naval vessels.

4 (i) Solely for purposes of the sales and use tax levied by the state, the
5 furnishing of telecommunications services for compensation, in accordance with the
6 provisions of R.S. 47:301.1. Local political subdivisions are prohibited from levying
7 a sales and use tax on telecommunications services not in effect on July 1, 1990,
8 provided, however, that the provisions of this Subparagraph shall not be construed to
9 prohibit the levy or collection of any franchise, excise, gross receipts, or similar tax
10 or assessment by any political subdivision of the state as defined in Article VI,
11 Section 44(2) of the Constitution of Louisiana.

12 (j) Notwithstanding any provision of law to the contrary, for purposes of sales
13 or use taxation by the state or any local political subdivision, the term "sales of
14 services" shall not mean or include any funeral directing services as defined in
15 Subparagraph (10)(s) of this Section. Subject to approval by the House Committee on
16 Ways and Means and the Senate Committee on Revenue and Fiscal Affairs, the state
17 Department of Revenue shall devise a formula for the calculation of the tax.

18 (k) For purposes of sales and use tax imposed by the state, any political
19 subdivision whose boundaries are coterminous with those of the state, or any other
20 political subdivision, the term "sales of services" shall not mean or include admission
21 charges for, outside gate admissions to, or parking fees associated with an event
22 providing Louisiana heritage, culture, crafts, art, food, and music which is sponsored
23 by a domestic nonprofit organization that is exempt from tax under Section 501(c)(3)
24 of the Internal Revenue Code. The provisions of this Subparagraph shall apply only
25 to an event which transpires over a minimum of seven but not more than twelve days
26 and has a five-year annual average attendance of at least three hundred thousand over
27 the duration of the event. For purposes of determining the five-year annual average
28 attendance, the calculation shall include the total annual attendance for each of the
29 five most recent years. The provisions of this Subparagraph shall apply only to

1 admission charges for, outside gate admissions to, or parking fees associated with an
2 event when the charges and fees are payable to or for the benefit of the sponsor of the
3 event.

4 (15) "Storage" means and includes any keeping or retention in the taxing
5 jurisdiction of tangible personal property for use or consumption within the taxing
6 jurisdiction or for any purpose other than for sale at retail in the regular course of
7 business.

8 (16)(a) "Tangible personal property" means and includes personal property
9 which may be seen, weighed, measured, felt or touched, or is in any other manner
10 perceptible to the senses.

11 (b) The term "tangible personal property" shall not include:

12 (i) Stocks, bonds, notes, or other obligations or securities.

13 (ii) Gold, silver, or numismatic coins, or platinum, gold, or silver bullion.

14 (iii) Proprietary geophysical survey information or geophysical data analysis
15 furnished under a restricted use agreement even though transferred in the form of
16 tangible personal property.

17 (c) The term "tangible personal property" shall not include the repair of a
18 vehicle by a licensed motor vehicle dealer which is performed subsequent to the lapse
19 of the applicable warranty on that vehicle and at no charge to the owner of the
20 vehicle. For the purpose of assessing a sales and use tax on this transaction, no
21 valuation shall be assigned to the services performed or the parts used in the repair.

22 (d)(i) Notwithstanding any provision of law to the contrary and solely for
23 purposes of state sales and use tax, any sale of a prepaid calling service or prepaid
24 wireless calling service, or both, shall be deemed to be the sale of tangible personal
25 property.

26 (ii) Prepaid calling services and prepaid wireless calling services shall be
27 subject to the tax imposed by this Chapter if the sale takes place in this state. If the
28 customer physically purchases a prepaid calling service or prepaid wireless calling
29 service at the vendor's place of business, the sale is deemed to take place at the

1 vendor's place of business. If the customer does not physically purchase the service
2 at the vendor's place of business, the sale of a prepaid calling service or prepaid
3 wireless calling service is deemed to take place at the first of the following locations
4 that applies to the sale:

5 (aa) The customer's shipping address, if the sale involves a shipment.

6 (bb) The customer's billing address.

7 (cc) Any other address of the customer that is known by the vendor.

8 (dd) The address of the vendor or, alternatively in the case of a prepaid
9 wireless calling service, the location associated with the mobile telephone number.

10 (e) The term "tangible personal property" shall not include work products
11 which are written on paper, stored on magnetic or optical media, or transmitted by
12 electronic device, when such work products are created in the normal course of
13 business by any person licensed or regulated by the provisions of Title 37 of the
14 Louisiana Revised Statutes of 1950, unless such work products are duplicated without
15 modification for sale to multiple purchasers. This exclusion shall not apply to work
16 products which consist of the creation, modification, updating, or licensing of
17 computer software.

18 (f) The term "tangible personal property" shall not include pharmaceuticals
19 administered to livestock used for agricultural purposes, except as otherwise provided
20 in this Subparagraph. Only pharmaceuticals not included in the term "tangible
21 personal property" shall be registered with the Louisiana Department of Agriculture
22 and Forestry. Legend drugs administered to livestock used for agricultural purposes
23 are not required to be registered, but such legend drugs that are not registered shall
24 be "tangible personal property".

25 (g)(i) Notwithstanding the provisions of R.S. 9:1149.1 et seq., except as
26 otherwise provided in this Subparagraph, the term "tangible personal property" shall
27 not include factory built homes.

1 (ii) For purposes of this Subparagraph, "factory built home" means a
2 residential structure which is built in a factory in one or more sections and has a
3 chassis or integrated wheel delivery system, which is either:

4 (aa) A structure built to federal construction standards as defined in Section
5 5402 of Title 42 of the United States Code.

6 (bb) A residential structure built to the Louisiana State Uniform Construction
7 Code.

8 (cc) A manufactured home, modular home, mobile home, or residential
9 mobile home with or without a permanent foundation, which includes plumbing,
10 heating, and electrical systems.

11 (iii) "Factory built home" shall not include any self-propelled recreational
12 vehicle or travel trailer.

13 (iv) The term "tangible personal property" as applied to sales and use taxes
14 levied by the state or any other taxing authority in the state shall include a new
15 factory built home, for the initial sale from a dealer to a consumer, but only to the
16 extent that forty-six percent of the retail sales price shall be so considered as "tangible
17 personal property". Thereafter, each subsequent resale of a factory built home shall
18 not be considered as "tangible personal property".

19 (v) The sales and use taxes due on these transactions shall be paid to the
20 Louisiana Department of Public Safety and Corrections, office of motor vehicles, by
21 the twentieth day of the month following the month of delivery of the factory built
22 home to the consumer, along with any other information requested by the office of
23 motor vehicles.

24 (h)(i) Solely for purposes of the imposition of the sales and use tax levied by
25 the state or any political subdivision whose boundaries are coterminous with those of
26 the state, for the period beginning July 1, 2002, and ending on June 30, 2003, the term
27 "tangible personal property" shall not include one-quarter of the cost price of custom
28 computer software.

1 (ii) Solely for purposes of the imposition of the sales and use tax levied by the
2 state or any political subdivision whose boundaries are coterminous with those of the
3 state, for the period beginning July 1, 2003, and ending on June 30, 2004, the term
4 "tangible personal property" shall not include one-half of the cost price of custom
5 computer software.

6 (iii) Solely for purposes of the imposition of the sales and use tax levied by
7 the state or any political subdivision whose boundaries are coterminous with those of
8 the state, for the period beginning July 1, 2004, and ending on June 30, 2005, the term
9 "tangible personal property" shall not include three-quarters of the cost price of
10 custom computer software.

11 (iv) Solely for purposes of the imposition of the sales and use tax levied by
12 the state or any political subdivision whose boundaries are coterminous with those of
13 the state, for all taxable periods beginning on or after July 1, 2005, the term "tangible
14 personal property" shall not include custom computer software.

15 (i) Solely for purposes of the imposition of the state sales and use tax, the
16 term "tangible personal property" shall not include digital television conversion
17 equipment and digital radio conversion equipment as defined in this Section.

18 (i) "Digital television conversion equipment" shall include the following:

19 (aa) DTV transmitter and RF system.

20 (bb) Transmission line.

21 (cc) DTV antenna.

22 (dd) Tower.

23 (ee) Existing tower structural upgrade.

24 (ff) Advanced TV receiver (STL receiver).

25 (gg) Decoder (digital to analog converter for NTSC).

26 (hh) DTV transmission system test and monitoring.

27 (ii) Digital video/audio master control switcher.

28 (jj) Analog to digital conversion.

29 (kk) High definition up-converters.

- 1 (ll) High definition bypass switcher.
- 2 (mm) Down converters for standard definition.
- 3 (nn) Advanced TV transmitter (STL transmitter).
- 4 (oo) Advanced TV signal encoder.
- 5 (pp) DTV transmission monitoring.
- 6 (qq) High definition digital video switcher and DVE.
- 7 (rr) High definition studio cameras.
- 8 (ss) High definition graphics/graphic generator.
- 9 (tt) High definition video monitoring.
- 10 (uu) Conversion gear.
- 11 (vv) High definition recorder/players, including tape, disk, etc.
- 12 (ww) High definition video/audio signal router.
- 13 (xx) High definition video/audio media server.
- 14 (yy) MPEG or HDTV digital receivers for program content.
- 15 (zz) High definition recorder/players, including tape, disk, etc.
- 16 (aaa) High definition video/audio media server and workstations.
- 17 (bbb) Digital EAS encoder/decoder.
- 18 (ccc) High definition camcorder, including tape, disk, etc.
- 19 (ddd) Advanced TV transmitters, including microwave.
- 20 (ii) "Digital radio conversion equipment" shall include the following:
- 21 (aa) IBOC transmitter.
- 22 (bb) IBOC main channel and IBOC combiner.
- 23 (cc) IBOC compatible antenna.
- 24 (dd) Tower.
- 25 (ee) IBOC coaxial bypass switcher.
- 26 (ff) Digital STL.
- 27 (gg) STL heliax transmission line.
- 28 (hh) STL antenna.
- 29 (ii) Digital console.

1 (jj) EAS insertion.

2 (kk) AES EBU conversion equipment.

3 (ll) IBOL transmission testing and monitoring equipment.

4 (mm) Digital processor.

5 (iii) The exclusion from state sales and use tax authorized by this
6 Subparagraph shall only apply to the first purchase of each enumerated item by an
7 individual taxpayer who holds a Federal Communications Commission license issued
8 pursuant to 47 CFR Part 73. Individual taxpayers operating under several broadcaster
9 licenses shall be allowed one purchase of each enumerated item per license. Each
10 subsequent purchase of any of the enumerated items by the same taxpayer or license
11 holder shall be subject to sales and use tax.

12 (iv) Repealed by Acts 2005, No. 243, §1, eff. June 29, 2005.

13 (v) Any eligible taxpayer who has purchased any item enumerated in Item (i)
14 or (ii) of this Subparagraph subsequent to January 1, 1999, but prior to the effective
15 date of this Act, shall be entitled to a credit against the state sales and use tax due in
16 any year for an amount equal to state sales and use tax paid on the purchase of the
17 item.

18 (vi) Local taxing authorities are hereby authorized to provide an exemption
19 from any local sales and use tax liability to any taxpayers holding a Federal
20 Communications Commission license issued pursuant to 47 CFR Part 73 which has
21 purchased any of the equipment listed in Item (i) or (ii) of this Subparagraph. Local
22 taxing authorities are further authorized to provide a credit against any tax liability
23 for the amount of local sales tax paid by taxpayers holding Federal Communications
24 Commission licenses issued pursuant to 47 CFR Part 73 on any equipment listed in
25 Item (i) or (ii) of the Subparagraph purchased subsequent to January 1, 1999, but prior
26 to June 25, 2002.

27 (vii) No exclusion from state sales and use tax as authorized in this
28 Subsection shall be allowed after the Federal Communications Commission has

1 issued an order mandating license holders, issued pursuant to 47 CFR Part 73, to
2 discontinue broadcasting their analog signal.

3 (viii) The Department of Revenue shall adopt rules and regulations necessary
4 for the implementation of this Act no later than August 1, 2002.

5 (j) The term "tangible personal property", for purposes of the payment of
6 sales and use taxes levied by all tax authorities in the state, shall not include materials
7 used directly in the collection, separation, treatment, testing, and storage of blood by
8 nonprofit blood banks and nonprofit blood collection centers.

9 (k) The term "tangible personal property" for purposes of the sales and use
10 taxes imposed by all tax authorities in this state shall not include apheresis kits and
11 leuko reduction filters used by nonprofit blood banks and nonprofit blood collection
12 centers.

13 (l) For purposes of the sales and use tax imposed by the state of Louisiana,
14 by a political subdivision whose boundaries are coterminous with those of the state,
15 or by all political subdivisions of the state and without regard to the nature of the
16 ownership of the ground, tangible personal property shall not include other
17 constructions permanently attached to the ground which shall be treated as immovable
18 property.

19 (m)(i) Notwithstanding any other provision of law to the contrary, for
20 purposes of the sales and use tax levied by the state or any political subdivision whose
21 boundaries are coterminous with those of the state, the term "tangible personal
22 property" shall not include machinery and equipment used by a motor vehicle
23 manufacturer with a North American Industry Classification System (NAICS) Code
24 beginning with 3361, or by a glass container manufacturer with a NAICS Code of
25 327213. This exclusion shall be subject to the definitions and requirements of Item
26 (3)(i)(ii) of this Section.

27 (ii) A political subdivision may provide for a sales and use tax exemption for
28 the sales, cost, or lease or rental price of manufacturing machinery and equipment as
29 provided for in this Section, either effective upon adoption or enactment or phased in

1 over a period of time, or effective for a certain period of time or duration, all as set
2 forth in the instrument, resolution, vote, or other affirmative action providing the
3 exemption.

4 (iii) Notwithstanding any other provision of this Section, tooling in a
5 compression mold process shall be considered manufacturing machinery and
6 equipment for purposes of this Section.

7 (n)(i) For purposes of the imposition of the sales and use tax levied by the
8 state, the term "tangible personal property" shall not include machinery and
9 equipment purchased by the owner of a radio station located within the state that is
10 licensed by the Federal Communications Commission for radio broadcasting, if the
11 owner is either of the following:

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

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

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

21 (o)(i) For purposes of the imposition of the sales and use tax levied by the
22 state and any political subdivision whose boundaries are coterminous with those of
23 the state, the term "tangible personal property" shall not include machinery and
24 equipment as defined in and subject to the requirements of R.S. 47:301(3)(i)(ii) which
25 is purchased by a utility regulated by the Public Service Commission or the council
26 of the City of New Orleans. For the purposes of this Paragraph, the term "utility"
27 shall mean a person regulated by the Public Service Commission or the council of the
28 City of New Orleans who is assigned a North American Industrial Classification

1 System Code 22111, Electric Power Generation, as it existed in 2002. Such utility
2 shall also be considered a "manufacturer" for purposes of R.S. 47:301(3)(i)(ii).

3 (ii) For purposes of this Subparagraph, a political subdivision whose
4 boundaries are not coterminous with those of the state may provide for a sales and use
5 tax exclusion for machinery and equipment as defined in and subject to the
6 requirements of R.S. 47:301(3)(i)(ii) which is purchased by a utility regulated by the
7 Public Service Commission or the council of the city of New Orleans.

8 (p) For purposes of sales and use taxes imposed by the state or any of its
9 political subdivisions, the term "tangible personal property" shall not include
10 newspapers.

11 (q) For purposes of sales and use taxes imposed by the state, any statewide
12 taxing authority, or any political subdivision, the term "tangible personal property"
13 shall not include any property that would have been considered immovable property
14 prior to the enactment on July 1, 2008, of Act No. 632 of the 2008 Regular Session
15 of the Legislature.

16 * * *

17 (18)(a)(i) Solely for purposes of the imposition of the state sales and use tax,
18 "use" means and includes the exercise of any right or power over tangible personal
19 property incident to the ownership thereof, except that it shall not include the sale at
20 retail of that property in the regular course of business or the donation to a school in
21 the state which meets the definition provided in R.S. 17:236 or to a public or
22 recognized independent institution of higher education in the state of property
23 previously purchased for resale in the regular course of a business. The term "use"
24 shall not include the purchase, the importation, the consumption, the distribution, or
25 the storage of automobiles to be leased in an arm's length transaction, nor shall the
26 term "use" include the donation of food items to a food bank as defined in R.S.
27 9:2799(B).

28 (ii) For purposes of the imposition of the sales and use tax levied by a
29 political subdivision or school board, "use" shall mean and include the exercise of any

1 right or power over tangible personal property incident to the ownership thereof,
2 except that it shall not include the sale at retail of that property in the regular course
3 of business or the donation to a school in the state which meets the definition
4 provided in R.S. 17:236 or to a public or recognized independent institution of higher
5 education in the state of property previously purchased for resale in the regular course
6 of a business. The term "use" shall not include the donation of food items to a food
7 bank as defined in R.S. 9:2799(B).

8 (iii) The term "use", for purposes of sales and use taxes imposed by the state
9 on the use for rental of automobiles which take place on or after January 1, 1991, and
10 by political subdivisions on such use on or after July 1, 1996, and state sales and use
11 taxes imposed on the use for lease or rental of tangible personal property other than
12 automobiles which take place on or after July 1, 1991, shall not include the purchase,
13 the importation, the consumption, the distribution, or the storage of tangible personal
14 property to be leased or rented in an arm's length transaction as tangible personal
15 property. For purposes of the imposition of the tax levied by any political subdivision
16 of the state, for the period beginning July 1, 1999, and ending on June 30, 2000, the
17 term "use" shall not include one-fourth of the cost price of any tangible personal
18 property which is purchased, imported, consumed, distributed, or stored and which
19 is to be leased or rented in an arm's length transaction in the form of tangible personal
20 property. For purposes of the imposition of the tax levied by any political subdivision
21 of the state, for the period beginning July 1, 2000, and ending on June 30, 2001, the
22 term "use" shall not include one-half of the cost price of any tangible personal
23 property which is purchased, imported, consumed, distributed, or stored and which
24 is to be leased or rented in an arm's length transaction in the form of tangible personal
25 property. For purposes of the imposition of the tax levied by any political subdivision
26 of the state, for the period beginning July 1, 2001, and ending on June 30, 2002, the
27 term "use" shall not include three-fourths of the cost price of any tangible personal
28 property which is purchased, imported, consumed, distributed, or stored and which
29 is to be leased or rented in an arm's length transaction in the form of tangible personal

1 property. Beginning July 1, 2002, for purposes of the imposition of the tax levied by
2 any political subdivision of the state, the term "use" shall not include the purchase,
3 the importation, the consumption, the distribution, or the storage of any tangible
4 personal property which is to be leased or rented in an arm's length transaction in the
5 form of tangible personal property.

6 (iv) The term "use", for purposes of sales and use taxes imposed by the state
7 on the use for rental automobiles which take place prior to January 1, 1991, and by
8 political subdivisions on such use prior to July 1, 1996, and imposed on the use for
9 lease or rental of tangible personal property other than automobiles which take place
10 prior to July 1, 1991, and for purposes of local sales and use taxes levied by political
11 subdivisions, except for any use for rental automobiles on or after July 1, 1996, shall
12 include the purchase, the importation, the consumption, the distribution, or the storage
13 of tangible personal property to be leased or rented in an arm's length transaction as
14 tangible personal property.

15 (b) Notwithstanding any other law to the contrary, for purposes of the
16 imposition of the sales and use tax of any political subdivision, the use of a vehicle
17 subject to the Vehicle Registration License Tax Law (R.S. 47:451 et seq.) shall be
18 deemed to be a "use":

19 (i) In the political subdivision of the principal residence of the purchaser if
20 the vehicle is purchased for private use, or

21 (ii) In the political subdivision of the principal location of the business if the
22 vehicle is purchased for commercial use, unless the vehicle purchased for commercial
23 use is assigned, garaged, and used outside of such political subdivision, in which case
24 the use shall be deemed a use in the political subdivision where the vehicle is
25 assigned, garaged, and used.

26 (c) For purposes of state and political subdivision sales and use tax, "use"
27 shall not include the exercise of any right or power by a free hospital over items,
28 including but not limited to supplies and equipment, which are reasonably necessary
29 for the operation of the free hospital.

1 (d)(i) Notwithstanding any other provision of law to the contrary, and except
2 as provided in Item (iii) of this Subparagraph, for purposes of state and political
3 subdivision sales and use tax, "use" means and includes the exercise of any right or
4 power over tangible personal property incident to the ownership thereof, except that
5 it shall not include the further processing of tangible personal property into articles
6 of tangible personal property for sale.

7 (ii) Except as provided in Item (iii) of this Subparagraph for refinery gas, for
8 purposes of state and political subdivision use tax, "use" shall not include the storage,
9 consumption, or the exercise of any other right of ownership over tangible personal
10 property which is created or derived as a residue or byproduct of such processing.
11 Such residue or byproduct shall include but shall not be limited to catalyst cracker
12 coke derived from crude oil, wood chips, bark, and liquor derived from the processing
13 of sawlogs or pulpwood timber, or bagasse derived from sugarcane.

14 (iii) Notwithstanding any other provision of law to the contrary, and
15 notwithstanding the provisions of this Subparagraph, "use" shall include the exercise
16 of any right of ownership over the consumption, the distribution, and the storage for
17 use or consumption in this state of refinery gas, except the sale to another person,
18 whether at retail or wholesale, only if the refinery gas is ultimately consumed as an
19 energy source by the person who owns the facility in which it is created and is not
20 sold. Notwithstanding any other law to the contrary, the use of refinery gas shall be
21 taxed at the cost price value provided in Subparagraph (3)(f) of this Section. If
22 refinery gas, except for feedstock, is sold to another person, whether at retail, or
23 wholesale, such sale shall be taxable and the sales price value shall be as provided for
24 in Subparagraph (13)(d) of this Section. The provisions of this Item shall not apply
25 to feedstocks.

26 (e) For purposes of state and political subdivision sales and use tax, "use"
27 shall not include the purchase of or the exercise of any right or power over:

28 (i) Tangible personal property sold by approved parochial and private
29 elementary and secondary schools which comply with the court order from the Dodd

1 Brumfield decision and Section 501(c)(3) of the Internal Revenue Code, or students,
2 administrators, or teachers, or other employees of the school, if the money from such
3 sales, less reasonable and necessary expenses associated with the sale, is used solely
4 and exclusively to support the school or its program or curricula.

5 (ii) Educational materials or equipment used for classroom instruction by
6 approved parochial and private elementary and secondary schools which comply with
7 the court order from the Dodd Brumfield decision and Section 501(c)(3) of the
8 Internal Revenue Code, limited to books, workbooks, computers, computer software,
9 films, videos, and audio tapes.

10 (f) For purposes of state and political subdivision sales and use tax, "use"
11 shall not include the purchase of or the exercise of any right or power over tangible
12 personal property used by Boys State of Louisiana, Inc. and Girls State of Louisiana,
13 Inc. for their educational and public service programs for youth.

14 (g) Notwithstanding any provision of law to the contrary, for purposes of
15 sales or use taxation by the state or any local political subdivision, the term "use" shall
16 not mean or include any funeral directing services as defined in Subparagraph (10)(s)
17 of this Section.

18 (h) For purposes of sales and use taxes levied by the state or any political
19 subdivision of the state, the term "use" shall not include the exercise of any right of
20 ownership in or the distribution of telephone directories acquired by an advertising
21 company that is not affiliated with a provider of telephone services if the telephone
22 directories will be distributed free of charge to the recipients of the telephone
23 directories.

24 (i) For purposes of the imposition of sales and use taxes imposed or levied by
25 all taxing authorities in the state, in the case of the sale or any other disposition by a
26 dealer of any cellular, PCS, or wireless telephone, any electronic accessories that are
27 physically connected with such telephones and personal communications devices used
28 in connection with the sale or use of mobile telecommunications services, as defined
29 in R.S. 47:301(10)(v), the term "use" shall not include the withdrawal, use,

1 distribution, consumption, storage, donation, or any other disposition of any such
2 cellular, PCS, or wireless telephone, any electronic accessories that are physically
3 connected with such telephones and personal communications devices by the dealer.

4 (j) For purposes of the imposition of sales and use taxes imposed or levied by
5 any political subdivision of the state, in the case of the sale or any other disposition
6 by a dealer of any cellular telephone, PCS telephone, wireless telephone, or other
7 wireless personal communication device that is used in connection with the sale or
8 use of mobile telecommunications services, as defined in R.S. 47:301(10)(w), or any
9 electronic accessory that is physically connected with any such telephone or personal
10 communications device, the term "use" shall not include the withdrawal, use,
11 distribution, consumption, storage, donation, or any other disposition of any such
12 telephone or electronic accessory by the dealer.

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

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

1 (m)(i) For the purposes of sales and use taxes imposed or levied by the state
2 or any political subdivision of the state, the term "use" shall not include the purchase
3 of or the exercise of any right or power over toys by a non-profit organization exempt
4 from federal taxation pursuant to Section 501(c)(3) of the Internal Revenue Code if
5 the sole purpose of the purchasing organization is to donate toys to minors and the
6 toys are, in fact, donated.

7 (ii) The exclusion provided for in this Subparagraph shall be subject to the
8 same conditions as are provided for in Items (10)(aa)(ii) and (iii) of this Section.

9 (n) For purposes of sales and use tax imposed by the state or any political
10 subdivision of the state, the term "use" shall not mean or include the purchase,
11 importation, storage, distribution, or exportation of, or exercise of any right or power
12 over, textbooks and course-related software by a private postsecondary academic
13 degree-granting institution, accredited by a national or regional commission that is
14 recognized by the United States Department of Education and is licensed by the
15 Board of Regents, which institution has its main location within this state and offers
16 only online instruction, when all of the following apply:

17 (i) The textbooks and course-related software are physically outside of this
18 state when purchased from a vendor outside of this state and then imported into this
19 state.

20 (ii) The first student use of the textbooks and course-related software occurs
21 outside of this state.

22 (iii) The textbooks and course-related software are provided to the student
23 free of charge.

24 (o) Solely for purposes of the imposition of the state sales and use tax, the
25 term "use" shall not include the purchase or use of any storm shutter device as defined
26 and provided for in Subparagraph (10)(ee) of this Section.

27 (p) For purposes of sales and use tax imposed by the state or any political
28 subdivision of the state, the term "use" shall not mean or include the purchase,
29 importation, storage, distribution or exercise of any right or power over anthropogenic

1 carbon dioxide used in a qualified tertiary recovery project approved by the assistant
2 secretary of the office of conservation of the Department of Natural Resources
3 pursuant to R.S. 47:633.4.

4 * * *

5 (27) "Tax", "sales and use tax", and "sales tax" shall mean the sales and use
6 tax imposed by the state pursuant to the provisions of this Chapter and Chapter 2-A
7 and 2-B of this Subtitle and the tax imposed by political subdivisions under the
8 constitution or laws of this state authorizing the imposition of a sales and use tax.

9 * * *

10 §302. Imposition of tax

11 * * *

12 R.

13 * * *

14 (2) Notwithstanding any other provision of law to the contrary, including but
15 not limited to any contrary provisions of this Chapter, the exemption provided for in
16 R.S. 47:305(A)(2) and 305.25(A)(3) shall be applicable, operable, and effective from
17 July 1, 2007.

18 (3) Notwithstanding any other provision of law to the contrary which makes
19 any sales and use tax exemption inapplicable, inoperable, and of no effect, the
20 exemption provided in R.S. 47:305(D)(2) shall be applicable, operable, and effective
21 from January 1, 1998.

22 S. Notwithstanding any other provision of law to the contrary and specifically
23 notwithstanding any provision enacted during the 2004 First Extraordinary Session
24 which makes any sales and use tax exemption inapplicable, inoperable, and of no
25 effect, the exemption provided in R.S. 47:305.51 shall be applicable, operable, and
26 effective for all taxable periods beginning on or after July 1, 2007.

27 T. Notwithstanding any other provision of law to the contrary and specifically
28 notwithstanding any provision enacted to make any sales and use tax exemption

1 inapplicable, inoperable, and of no effect, the exemption provided in R.S.
2 47:305(A)(5)(b) shall be applicable, operable, and effective from July 1, 2009.

3 * * *

4 §305. Exclusions and exemptions from the tax

5 A.

6 * * *

7 (2) The gross proceeds derived from the sale in this state of livestock at public
8 sales sponsored by breeders' or registry associations or livestock auction markets are
9 exempted from the sales and use tax levied by the state only. When public sales of
10 livestock are made to consumers by any person other than through a public sale
11 sponsored by a breeders' or registry association or a livestock auction market, they are
12 not exempted from the sales and use tax imposed by the state. This Section shall be
13 construed as exempting race horses entered in races and claimed at any racing meet
14 held in Louisiana, whether the horse claimed was owned by the original breeder or
15 not.

16 * * *

17 (4)(a) The purchase of feed and feed additives for the purpose of sustaining
18 animals which are held primarily for commercial, business, or agricultural use shall
19 be exempted from the taxes levied by taxing authorities.

20 * * *

21 (5)(a) Solely for purposes of the sales and use tax levied by the state, such tax
22 shall not apply to the sale or use of materials, supplies, equipment, fuel, and related
23 items other than vessels used in the production or harvesting of crawfish. The person
24 who purchases the exempt items shall claim the exemption by executing a certificate
25 at the time of purchase. The Department of Revenue shall provide the certificates to
26 retail merchants. Any merchant who in good faith, and after examination of the
27 applicability of the certificate to that purchase with due care, neglects or fails to
28 collect the tax herein provided, due to the presentation by the purchaser of a tax

1 exemption certificate issued by the Department of Revenue, including those issued
2 pursuant to R.S. 47:305.10, shall not be liable for the payment of the tax.

3 (b) Solely for purposes of the sales and use tax levied by the state, such tax
4 shall not apply to the sale or use of bait and feed used in the production or harvesting
5 of crawfish. The person who purchases the exempt items shall claim the exemption
6 by executing a certificate at the time of purchase. The Department of Revenue shall
7 provide the certificates to retail merchants. Any merchant who in good faith, and
8 after examination of the applicability of the certificate to that purchase with due care,
9 neglects or fails to collect the tax herein provided, due to the presentation by the
10 purchaser of a tax exemption certificate issued by the Department of Revenue,
11 including those issued pursuant to R.S. 47:305.10, shall not be liable for the payment
12 of the tax.

13 (6) Solely for purposes of the sales and use tax levied by the state, such tax
14 shall not apply to the sale or use of materials, supplies, equipment, fuel, bait, and
15 related items other than vessels used in the production or harvesting of catfish. The
16 person who purchases the exempt items shall claim the exemption by executing a
17 certificate at the time of purchase. The Department of Revenue shall provide the
18 certificates to retail merchants. Any merchant who in good faith, and after
19 examination of the applicability of the certificate to that purchase with due care,
20 neglects or fails to collect the tax herein provided, due to the presentation by the
21 purchaser of a tax exemption certificate issued by the Department of Revenue, shall
22 not be liable for the payment of the tax.

23 * * *

24 D.(1) The sale at retail, the use, the consumption, the distribution, and the
25 storage to be used or consumed in the taxing jurisdiction of the following tangible
26 personal property is hereby specifically exempted from the tax imposed by taxing
27 authorities, except as otherwise provided in this Paragraph:

28 * * *

1 (b) Steam.

2 (c) Water(not including mineral water or carbonated water or any water put
3 in bottles, jugs, or containers, all of which are not exempted).

4 (d) Electric power or energy and any materials or energy sources used to fuel
5 the generation of electric power for resale or used by an industrial manufacturing
6 plant for self-consumption or cogeneration.

7 * * *

8 (f) Fertilizer and containers used for farm products when sold directly to the
9 farmer.

10 (g) Natural gas.

11 (h) All energy sources when used for boiler fuel except refinery gas.

12 (i) New trucks, new automobiles, new aircraft, and new boats, vessels, or
13 other water craft withdrawn from stock by factory authorized new truck, new
14 automobile, new aircraft dealers, and factory-authorized dealers of new boats, vessels,
15 or other water craft, and used trucks and used automobiles withdrawn from stock by
16 new or used motor vehicle dealers, which are withdrawn for use as demonstrators.

17 * * *

18 (u) Solely for purposes of the state sales and use tax, adaptive driving
19 equipment and motor vehicle modifications prescribed for personal use by a
20 physician, a licensed chiropractor, or a driver rehabilitation specialist licensed by the
21 state.

22 (2)(a) Sales of meals furnished as follows shall be exempt:

23 * * *

24 F. The sales, use and lease taxes imposed by taxing authorities shall not apply
25 to the amounts paid by radio and television broadcasters for the right to exhibit or
26 broadcast copyrighted material and the use of film, video or audio tapes, records or
27 any other means supplied by licensors thereof in connection with such exhibition or
28 broadcast and the sales and use tax shall not apply to licensors or distributors thereof.

29 * * *

1 I. The sales and use taxes imposed by the state of Louisiana or any of its
2 political subdivisions shall not apply to the labor, or sale of materials, services, and
3 supplies, used for repairing, renovating or converting of any drilling rig, or machinery
4 and equipment which are component parts thereof, which is used exclusively for the
5 exploration or development of minerals outside the territorial limits of the state in
6 Outer Continental Shelf waters. For the purposes of this Subsection, "drilling rig"
7 means any unit or structure, along with its component parts, which is used primarily
8 for drilling, workover, intervention or remediation of wells used for exploration or
9 development of minerals. For purposes of this Subsection, "component parts" means
10 any machinery or equipment necessary for a drilling rig to perform its exclusive
11 function of exploration or development of minerals.

12 §305.1. Exclusions and exemptions; ships and ships' supplies

13 A. The tax imposed by taxing authorities shall not apply to sales of materials,
14 equipment, and machinery which enter into and become component parts of ships,
15 vessels, or barges, including commercial fishing vessels, drilling ships, or drilling
16 barges, of fifty tons load displacement and over, built in Louisiana nor to the gross
17 proceeds from the sale of such ships, vessels, or barges when sold by the builder
18 thereof.

19 B. The taxes imposed by taxing authorities shall not apply to materials and
20 supplies purchased by the owners or operators of ships, barges, or vessels, including
21 drilling ships, operating exclusively in foreign or interstate coastwise commerce,
22 where such materials and supplies are loaded upon any such ship, barge, or vessel for
23 use or consumption in the maintenance and operation thereof; nor to repair services
24 performed upon such ships, barges, or vessels operating exclusively in foreign or
25 interstate coastwise commerce; nor to the materials and supplies used in such repairs
26 where such materials and supplies enter into and become a component part of such
27 ships, barges, or vessels; nor to laundry services performed for the owners or
28 operators of such ships, barges, or vessels operating exclusively in foreign or

1 interstate coastwise commerce, where the laundered articles are to be used in the
2 course of the operation of such ships, barges, or vessels.

3 * * *

4 §305.6. Exclusions and exemptions; Little Theater tickets

5 The sales tax imposed by taxing authorities shall not apply to the sale of
6 admission tickets by Little Theater organizations.

7 §305.7. Exclusions and exemptions; tickets to musical performances of nonprofit
8 musical organizations

9 The sales tax imposed by taxing authorities shall not apply to the sale of
10 admission tickets by domestic nonprofit corporations or by any other domestic
11 nonprofit organization known as a symphony organization or as a society or
12 organization engaged in the presentation of musical performances; provided that this
13 Section shall not apply to performances given by out-of-state or nonresident
14 symphony companies, nor shall this Section apply to any performance intended to
15 yield a profit to the promoters thereof.

16 §305.8. Exclusions and exemptions; pesticides used for agricultural purposes

17 The tax imposed by taxing authorities shall not apply to sale at retail of
18 pesticides used for agricultural purposes, including particularly but not by way of
19 limitation, insecticides, herbicides and fungicides.

20 §305.9. Exclusions and exemptions; motion picture film rental

21 The sales and use taxes imposed by the State of Louisiana or any such taxes
22 imposed by any parish or municipality within the state shall not apply to the amount
23 paid by the operator of a motion picture theatre to a distributing agency for use of
24 films of photoplay.

25 * * *

26 §305.13. Exclusions and exemptions; admissions to entertainments furnished by
27 certain domestic nonprofit corporations

28 The sales tax imposed by taxing authorities shall not apply to the sale of
29 admissions to entertainment events furnished by recognized domestic nonprofit

1 charitable, educational and religious organizations when the entire proceeds from
2 such sales, except for necessary expenses connected with the entertainment events,
3 are used for the purposes for which the organizations furnishing the events were
4 organized.

5 §305.14. Exclusions and exemptions; nonprofit organizations; nature of exemption;
6 limitations; qualifications; newspapers; determination of tax exempt status

7 A.(1)(a) The sales and use taxes imposed by taxing authorities shall not apply
8 to sales of tangible personal property at, or admission charges for, outside gate
9 admissions to, or parking fees associated with, events sponsored by domestic, civic,
10 educational, historical, charitable, fraternal, or religious organizations, which are
11 nonprofit, when the entire proceeds, except for necessary expenses such as fees paid
12 for guest speakers, chair and table rentals, and food and beverage utility related items
13 connected therewith, are used for educational, charitable, religious, or historical
14 restoration purposes, including the furtherance of the civic, educational, historical,
15 charitable, fraternal, or religious purpose of the organization. In addition, newspapers
16 published in this state by religious organizations shall also be exempt from such taxes,
17 provided that the price paid for the newspaper or a subscription to the newspaper does
18 not exceed the cost to publish such newspaper.

19 (b) Notwithstanding any other provision of this Section, the sales and use tax
20 imposed by taxing authorities shall not apply to an event sponsored by a domestic
21 nonprofit organization that is exempt from tax under Section 501(c)(3) of the Internal
22 Revenue Code when the event provides Louisiana heritage, culture, crafts, art, food,
23 and music, and the sponsor has contracted for production management and financing
24 services for the event. Such services shall constitute necessary expenses of the
25 sponsor for purposes of the event. The provisions of this Subparagraph shall apply
26 only to the sales of tangible personal property and admission charges for, outside gate
27 admissions to, or parking fees associated with an event when the sales, charges, and
28 fees are payable to or for the benefit of the sponsor of the event. The provisions of
29 this Subparagraph shall apply only to an event which transpires over a minimum of

1 seven but not more than twelve days and has a five-year annual average attendance
2 of at least three hundred thousand over the duration of the event. For purposes of
3 determining the five-year annual average attendance, the calculation shall include the
4 total annual attendance for each of the five most recent years.

5 * * *

6 §305.16. Exclusions and exemptions; cable television installation and repair

7 The sales and use taxes imposed by the state or by any political subdivision
8 thereof shall not apply to necessary fees incurred in connection with the installation
9 and service of cable television. Such exemption shall not apply to purchases made
10 by any cable television system, but shall only apply to funds collected from the
11 subscriber for regular service, installation and repairs.

12 §305.17. Exclusions and exemptions; income from coin-operated washing and drying
13 machines in a commercial laundromat

14 State sales taxes imposed by R.S. 47:302 and R.S. 47:321, as well as any sales
15 taxes imposed by any parish, municipality, school board, or other political
16 subdivision, within the state, shall not apply to or be imposed upon the income on
17 receipts from any coin-operated washing or drying machine in a commercial
18 laundromat. A commercial laundromat, for purposes of this Section, is defined to be
19 any establishment engaged solely in the business of furnishing washing or drying
20 laundry services by means of coin-operated machines.

21 §305.18. Exclusions and exemptions; fairs, festivals, and expositions sponsored by
22 nonprofit organizations; nature of exemption; limitations; qualifications

23 A. The sales and use tax imposed by the state of Louisiana under R.S.
24 47:302(C) and R.S. 47:321 shall not apply to all outside gate admissions to grounds
25 and parking fees at fairs and festivals sponsored by recognized nonprofit
26 organizations chartered under the state of Louisiana.

27 The exemption provided herein shall not apply to any event intended to yield
28 a profit to the promoter or to any individual contracted to provide services or
29 equipment, or both, for the event.

1 Paragraph, it shall make no difference whether the vessel is engaged in interstate,
2 foreign, or intrastate commerce.

3 (3) Taxes applied to repair services performed upon the vessel or facility.
4 For the purposes of this Paragraph, it shall make no difference whether the vessel is
5 engaged in intrastate, interstate, or foreign commerce.

6 (4) Taxes applied to the purchase of gasoline, diesel fuel, and lubricants for
7 the vessel and to sources of energy and fuels for the facility.

8 * * *

9 §305.25. Exclusions and exemptions; farm equipment

10 A. The tax imposed by R.S. 47:302(A), 321(A), and 331(A) with respect to
11 the sale and use of farm equipment shall apply only to that portion of the sale price
12 in excess of fifty thousand dollars for each item of farm equipment. The purchaser
13 or his representative shall provide on any exemption certificate required for this
14 exemption a certification that the purchaser is a farmer or is purchasing for an
15 agricultural facility. The department shall hold the purchaser responsible for any
16 taxes due. For the purpose of this Section, "farm equipment" includes the following:

17 * * *

18 §305.26. Exclusions and exemptions; new vehicles furnished by dealers for driver
19 education purposes

20 Solely for purposes of the sales or use tax levied by the state, such tax shall
21 not be due on vehicles furnished by a dealer in new vehicles when withdrawn from
22 inventory and furnished to a secondary school, college, or public school board on a
23 free loan basis for exclusive use in a driver education program licensed by the
24 Department of Public Safety and Corrections, public safety services.

25 * * *

26 §305.28. Exclusions and exemptions; gasohol

27 A. The sales or use taxes imposed by the state of Louisiana or any such taxes
28 imposed by any parish or municipality or other local entity within the state shall not
29 apply to the sale at retail, the use, the consumption, the distribution, and the storage,

1 to be used or consumed in this state, of any motor fuel known as gasohol, containing
2 a blend of at least ten percent alcohol, if the alcohol therein has been produced,
3 fermented, and distilled in Louisiana from agricultural commodities. Alcohol to be
4 used in gasohol must have been rendered unsuitable for human consumption at the
5 time of its manufacture or immediately thereafter.

6 * * *

7 §305.33. Exclusions and exemptions; nonprofit retirement centers

8 The sales and use taxes imposed by the state of Louisiana shall not apply to
9 purchases of materials for the construction of and supplies for the operation of any
10 not-for-profit retirement center owned or operated by any public trust authority or
11 duly incorporated not-for-profit corporation. A retirement center for purposes of this
12 Section is defined as any multipurpose facility which houses as a permanent
13 residence senior citizens who are sixty-two years of age or older, which provides
14 housing for the elderly, and which provides intermediate health care.

15 * * *

16 §305.37. Exclusions and exemptions; diesel fuel, butane, propane, or other liquefied
17 petroleum gases used for farm purposes

18 A. The state taxes imposed by R.S. 47:302(A), R.S. 47:321(A), and R.S.
19 47:331(A) shall not apply to diesel fuel, butane, propane, or other liquefied
20 petroleum gases used or consumed for farm purposes. The secretary of the
21 Department of Revenue shall adopt and promulgate rules and regulations necessary
22 to effectuate the exemptions granted by this Section.

23 * * *

24 §305.40. Exclusions and exemptions; purchases of Mardi Gras specialty items

25 A. Solely for purposes of the sales and use taxes levied by the state, such
26 sales and use taxes imposed by R.S. 47:302, 321, and 331 shall not apply to the
27 purchases or sales of specialty items for use in connection with Mardi Gras activities
28 by the following organizations:

29 * * *

1 §305.41. Exclusions and exemptions; Ducks Unlimited; Bass Life

2 The sales and use tax imposed by the state of Louisiana or any of its local
3 governmental subdivisions or school boards shall not apply to either the sales of
4 Ducks Unlimited or Bass Life or any of their chapters or any rental or purchase of
5 property or services by Ducks Unlimited or Bass Life or any of their chapters.

6 §305.42. Exclusions and exemptions; tickets to ballet performances of nonprofit
7 ballet organizations

8 Solely for purposes of the sales and use taxes levied by the state, such sales
9 and use tax imposed by R.S. 47:302(A) and R.S. 47:321(A) shall not apply to the
10 sale of admission tickets by any domestic nonprofit organization engaged in the
11 preparation and presentation of any dance, drama, or any of the performing arts.

12 §305.43. Exclusions and exemptions; nonprofit organizations dedicated to the
13 conservation of fish or migratory waterfowl; nature of exemption;
14 limitations; qualifications

15 A. The sales and use taxes imposed by R.S. 47:302, R.S. 47:321, and R.S.
16 47:331 shall not apply to any sales made by a nonprofit organization dedicated
17 exclusively to the conservation of fish or the migratory waterfowl of the North
18 American Continent and to the preservation and conservation of wetland habitat of
19 such waterfowl, when the entire proceeds, except for the necessary expenses
20 connected therewith, are used in furtherance of the organization's exempt purpose.
21 The exemption provided herein shall not apply to any event intended to yield a profit
22 to the promoter or to any individual contracted to provide services or equipment, or
23 both, for the event.

24 * * *

25 §305.44. Exclusions and exemptions; raw materials used in printing process

26 A. The sales and use taxes imposed by the state under R.S. 47:302, R.S.
27 47:321, and R.S. 47:331 and by any political subdivision shall not apply to purchases

1 and sales of the following, including all chemical supplies necessary to produce such
2 items whether manufactured by a printer or purchased from a subcontractor:

3 * * *

4 §305.45. Exclusions and exemptions; per diem or car hire on freight cars,
5 piggy-back cars, and rolling stock

6 A. The sales, use, and lease tax imposed by the state of Louisiana under the
7 provisions of R.S. 47:302(A) and (B), R.S. 47:321(A) and (B) and R.S. 47:331 shall
8 not apply to:

9 * * *

10 §305.47. Exclusions and exemptions; pharmaceutical samples distributed without
11 charge

12 The sales and use tax imposed by the state of Louisiana or any of its political
13 subdivisions shall not apply to pharmaceutical samples approved by the United
14 States Food and Drug Administration which are manufactured in the state or
15 imported into the state for distribution without charge to physicians, dentists, clinics,
16 or hospitals.

17 * * *

18 §305.49. Catalog distribution; exemption

19 Notwithstanding any provision of law to the contrary, no sales or use tax shall
20 be imposed by the state or any political subdivision on the value of catalogs
21 distributed, or intended for distribution in the state, without charge to the recipient.

22 §305.50. Exemption; vehicles used in interstate commerce; rail rolling stock;
23 railroad ties

24 A.(1) The sales and use tax imposed by the state of Louisiana or any of its
25 local political subdivisions shall not apply to trucks with a gross weight of twenty-six
26 thousand pounds or more and to trailers if such trucks and trailers are used at least
27 eighty percent of the time in interstate commerce and whose activities are subject to
28 the jurisdiction of the United States Department of Transportation. The
29 determination of whether a truck is used at least eighty percent of the time in

1 interstate commerce shall be based solely on the actual mileage of such truck;
2 however, no truck shall have more than twenty percent Louisiana intrastate miles.

3 (2)(a) The sales and use tax imposed by the state or any of its political
4 subdivisions shall not apply to the purchase, use, or lease of a qualifying truck or to
5 the purchase, use, or lease of a qualifying trailer purchased, imported, or leased, with
6 or without a qualifying truck, for use with a qualifying truck.

7 * * *

8 B. The sales and use tax imposed by the state of Louisiana or any of its local
9 political subdivisions shall not apply to contract carrier buses if such buses are used
10 at least eighty percent of the time in interstate commerce.

11 * * *

12 E.(1) The sales and use tax imposed by the state of Louisiana or any of its
13 local political subdivisions or statewide taxing authorities shall not apply to rail
14 rolling stock sold or leased in this state.

15 (2) The sales and use tax imposed by the state of Louisiana or statewide
16 taxing authorities shall not apply to parts or services used in the fabrication,
17 modification, or repair of rail rolling stock. A political subdivision may, by
18 ordinance, provide that sales and use tax imposed by the political subdivision shall
19 not apply to parts or service used in the fabrication, modification, or repair of rail
20 rolling stock.

21 F. The sales and use tax imposed by the state, its statewide taxing authorities,
22 or any of its political subdivisions shall not apply to the "sales price" or "cost price"
23 of railroad ties that a railroad purchases prior to long-term preservative treatment and
24 installs into the railroad's track system outside the taxing jurisdiction of the
25 respective taxing authority, whether it be the state, a statewide taxing authority, or
26 a political subdivision.

27 §305.51. Exemption; utilities used by steelworks and blast furnaces

28 A. The sales and use tax imposed by the state of Louisiana or any of its
29 political subdivisions shall not apply to sales or purchases of utilities used by

1 steelworks, blast furnaces, coke ovens, or rolling mills with more than one hundred
2 twenty-five full-time employees, which are classified by the Louisiana Workforce
3 Commission within Sector 331111 of the North American Industry Classification
4 System as it existed in 2002. However, this exemption shall not apply to utilities
5 used in and around the production of coke in oil refineries and the use of coke in oil
6 refineries and other chemical processes.

7 * * *

8 §305.54. Exemption; Annual Louisiana Sales Tax Holidays Act

9 * * *

10 B.(1) Notwithstanding any other provisions of law to the contrary, the sales
11 tax levied by the state of Louisiana and its political subdivisions whose boundaries
12 are coterminous with those of the state shall not apply to the first two thousand five
13 hundred dollars of the sales price or cost price of any consumer purchases of tangible
14 personal property that occur on the first consecutive Friday and Saturday of August
15 each year.

16 * * *

17 §305.57. Exemptions; sale of art work

18 A. The sales and use taxes imposed by the state of Louisiana or any of its
19 political subdivisions shall not apply to the sale of original, one-of-a-kind works of
20 art from an established location within the boundaries of a cultural product district.

21 * * *

22 §305.58. Exemption; annual sales tax holiday; hurricane-preparedness items or
23 supplies; dates; restrictions

24 A.(1) Notwithstanding any other provision of law to the contrary, the sales
25 and use tax levied by the state of Louisiana shall not apply to the first one thousand
26 five hundred dollars of the sales price of purchases of hurricane-preparedness items
27 or supplies as defined in this Subsection that occur during an eligible tax exemption
28 period.

29 * * *

1 §305.59. Exemption; charitable residential construction

2 The sales and use tax imposed by the state of Louisiana and all of its tax
3 authorities shall not apply to the sale of construction materials to Habitat for
4 Humanity affiliates, Fuller Center for Housing covenant partners located in this state,
5 or the Make it Right Foundation when such materials are intended for use in
6 constructing new residential dwellings in this state.

7 * * *

8 §305.61. Exemption; certain water conservation equipment; Sparta Groundwater
9 Conservation District

10 A. The sales and use tax imposed by all tax authorities in the state shall not
11 apply to sales of water conservation equipment for use within the Sparta
12 Groundwater Conservation District. Only persons defined as "users" under R.S.
13 38:3087.133(7) shall be eligible for this exemption.

14 * * *

15 §305.62. Exemption; Annual Louisiana Second Amendment Weekend Holiday

16 * * *

17 B.(1) Notwithstanding any other provisions of law to the contrary, the sales
18 and use tax levied by the state of Louisiana and its political subdivisions shall not
19 apply to the sales price or cost price of any consumer purchases of firearms,
20 ammunition, and hunting supplies that occur each calendar year on the first
21 consecutive Friday through Sunday of September.

22 * * *

23 §305.63. Exemption; commercial farm irrigation equipment

24 The sales and use tax imposed by the state of Louisiana and its political
25 subdivisions whose boundaries are coterminous with those of the state shall not
26 apply to the sale of polyroll tubing sold or used for commercial farm irrigation.

27 §305.64. Exemption; qualifying radiation therapy treatment centers

28 A.(1) The sales and use tax imposed by the state of Louisiana shall not apply
29 to the amount paid by qualifying radiation therapy treatment centers for the purchase,

1 lease, or repair of capital equipment and the purchase, lease, or repair of software
2 used to operate capital equipment. Any political subdivision of this state, including
3 parishes and municipalities, may elect to grant a sales and use tax exemption for the
4 amount paid by qualifying radiation therapy treatment centers for the purchase, lease,
5 or repair of capital equipment and the purchase, lease, or repair of software used to
6 operate capital equipment.

7 * * *

8 §305.65. Exemption; charitable residential construction, rehabilitation, and
9 renovation; limitation

10 A. The sales and use tax imposed by the state of Louisiana and all of its tax
11 authorities shall not apply to the sale of construction materials to Hands on New
12 Orleans and Rebuilding Together New Orleans covenant partners located in this state
13 when such materials are intended for use in either constructing, rehabilitating, or
14 renovating residential dwellings in this state which were destroyed or damaged by
15 Hurricane Katrina or Hurricane Rita.

16 * * *

17 §305.66. Exemption; parish councils on aging

18 A. The sales and use tax imposed by the state of Louisiana shall not apply
19 to parish councils on aging located in this state.

20 * * *

21 §305.67. Exemption; breastfeeding items

22 The sales and use tax imposed by the state of Louisiana shall not apply to the
23 purchase of breastfeeding items. For purposes of this Section, breastfeeding items
24 shall include breastpumps and accessories, replacement parts, storage bags and
25 accessories, and nursing bras.

26 §305.68. Exemption; Fore!Kids Foundation

27 The sales and use tax imposed by the state of Louisiana or any political
28 subdivisions shall not apply to the purchase, use, or rental of materials, services,

1 property, and supplies, by the Fore!Kids Foundation, whose primary purpose is to
2 fund children's service organizations from monies raised from golfing events.

3 * * *

4 §305.70. Exemption; "Make It Right Foundation"

5 The sales and use tax imposed by the state of Louisiana or any political
6 subdivision shall not apply to the sale of construction materials to the "Make It Right
7 Foundation" when such materials are intended for use in constructing new residential
8 dwellings in this state.

9 §305.71. Exemption; St. Bernard Project, Inc.

10 The sales and use tax imposed by the state of Louisiana or any political
11 subdivision as defined in R.S. 47:337.6 shall not apply to the sale of construction
12 materials to the St. Bernard Project, Inc. when such materials are intended for use in
13 rehabilitating existing residential dwellings or constructing new residential dwellings
14 in this state.

15 * * *

16 §318. Disposition of collections

17 A. All monies collected under this Chapter shall be immediately paid into
18 the state treasury, upon receipt, and first credited to the Bond Security and
19 Redemption Fund as provided in Article VII, Section 9(B) of the Constitution of
20 Louisiana; then an amount equal to four-tenths of one percent of all monies collected
21 under this Chapter, and Chapters 2-A and 2-B of this Subtitle, and R.S. 51:1286 shall
22 be used as provided in this Section.

23 * * *

24 §321. Imposition of tax

25 * * *

26 H.(1) Notwithstanding any other provision of law to the contrary, including
27 but not limited to any contrary provisions of this Chapter, the exemptions to the tax
28 levied pursuant to the provisions of this Section, except for those exemptions
29 provided by R.S. 39:467 and 468, R.S. 47:305(A)(1), (B), (D)(1)(f), (j), (k), (l), (m),

1 (s), and (t), and (G), 305.1, 305.2, 305.3, 305.8, 305.10, 305.14, 305.15, 305.20,
2 305.25(A)(1) and (2), 305.37, 305.38, 305.46, and 305.50, and R.S. 51:1787, shall
3 be inapplicable, inoperable, and of no effect from July 1, 2002.

4 (2) Notwithstanding any other provision of law to the contrary, including but
5 not limited to any contrary provisions of this Chapter, the exemption provided for
6 in R.S. 47:305(A)(2) and 305.25(A)(3) shall be applicable, operable, and effective
7 from July 1, 2007.

8 (3) Notwithstanding any other provision of the law or any other provision
9 of this Chapter to the contrary, the exemption provided in R.S. 47:305(D)(1)(i) for
10 new boats, vessels, or other water craft used as demonstrators shall be applicable,
11 operable, and effective for all taxable periods beginning on or after July 1, 2009.

12 (4) Notwithstanding any other provision of law to the contrary, including but
13 not limited to any contrary provisions of this Chapter, the exemption provided for
14 in R.S. 47:305.63 shall be applicable, operable, and effective from July 1, 2009.

15 (5) Notwithstanding any other provision of law to the contrary, including but
16 not limited to any contrary provisions of this Chapter, the exemption provided for
17 in R.S. 47:305.64 shall be applicable, operable, and effective from July 1, 2009.

18 (6) Notwithstanding any other provision of law to the contrary which makes
19 any sales and use tax exemption inapplicable, inoperable, and of no effect, the
20 exemption provided in R.S. 47:305(D)(2) shall be applicable, operable, and effective
21 from January 1, 1998.

22 I. Notwithstanding any other provision of law to the contrary and specifically
23 notwithstanding any provision enacted during the 2004 First Extraordinary Session
24 which makes any sales and use tax exemption inapplicable, inoperable, and of no
25 effect, the exemption provided in R.S. 47:305.51 shall be applicable, operable, and
26 effective for all taxable periods beginning on or after July 1, 2007.

27 J. Notwithstanding any other provision of law to the contrary and
28 specifically notwithstanding any provision enacted to make any sales and use tax

1 exemption inapplicable, inoperable, and of no effect, the exemption provided in R.S.
2 47:305(A)(5)(b) shall be applicable, operable, and effective from July 1, 2009.

3 K. Notwithstanding the provisions of Subsection H of this Section or any
4 other provision of this Chapter to the contrary, for taxable periods beginning on or
5 after July 1, 2008, the exemptions to the tax levied by this Section for electric power
6 or energy, natural gas, steam, and water shall be applicable, operative, and effective.

7 * * *

8 §331. Imposition of tax

9 * * *

10 P.

11 * * *

12 (3) Notwithstanding any other provision of law to the contrary, including but
13 not limited to any contrary provisions of this Chapter, the exemption provided for
14 in R.S. 47:305(A)(2) and 305.25(A)(3) shall be applicable, operable, and effective
15 from July 1, 2007.

16 (4) Notwithstanding any other provision of law to the contrary which makes
17 any sales and use tax exemption inapplicable, inoperable, and of no effect, the
18 exemption provided in R.S. 47:305(D)(2) shall be applicable, operable, and effective
19 from January 1, 1998.

20 Q. Notwithstanding any other provision of law to the contrary and
21 specifically notwithstanding any provision enacted during the 2004 First
22 Extraordinary Session which makes any sales and use tax exemption inapplicable,
23 inoperable, and of no effect, the exemption provided in R.S. 47:305.51 shall be
24 applicable, operable, and effective for all taxable periods beginning on or after July
25 1, 2007.

26 R. Notwithstanding any other provision of law to the contrary and
27 specifically notwithstanding any provision which is enacted to make any sales and
28 use tax exemption inapplicable, inoperable, and of no effect, the exemption provided

1 in R.S. 47:305(A)(5)(b) shall be applicable, operable, and effective from July 1, 2009.

2 * * *

3 §6001. Antique airplanes and certain other aircraft

4 A. No tax imposed by the state or by any parish, municipality, school board,
5 or any political subdivision of the state shall be imposed on antique airplanes which
6 are maintained by private collectors and not used for commercial purposes, and no
7 personal property tax shall be imposed on any aircraft weighing less than six
8 thousand pounds which is owned by a private individual and not used for
9 commercial or profit making purposes. The exemption from local taxes contained
10 in this Section is granted notwithstanding the provisions of R.S. 47:302, and such
11 exemption shall apply to any sales and use tax levied by any local governmental
12 subdivision or school board.

13 * * *

14 Section 14. R.S. 51:1307(C) is hereby amended and reenacted to read as follows:

15 §1307. Refund procedure

16 * * *

17 C. The refund may consist of a credit card refund as provided for in
18 Subsection D of this Section, or of a cash or check payment in any currency deemed
19 appropriate by the commission, without interest to the international traveler, of the
20 total sales tax of the state and of any participating local tax authority paid by the
21 international traveler as reflected on the invoices or receipts and as verified by the
22 refund form, less the handling fee charged. The international traveler's copy of the
23 refund form will be kept by the refund agent. The invoices or receipts which were
24 attached to the refund form shall be returned to the international traveler, stamped
25 "Sales Tax Refunded".

26 Section 15. Section 4 of Act No. 386 of the 1990 Regular Session of the Legislature
27 is hereby repealed in its entirety.

28 Section 16. The provisions of Sections 1, 2, 3, 4, 5, 6, 7, 15, 17, and this Section
29 shall become effective on April 1, 2016.

1 Section 17. The provisions of Sections 8, 9, 10, 11, 12, 13, and 14 shall become
2 effective on April 1, 2019.

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 61 Reengrossed

2016 First Extraordinary Session

Jay Morris

Abstract: Provides for the applicability of various exclusions and exemptions for the 1% state sales and use tax.

Present law imposes a combined 4% rate for state sales and use tax upon the sale at retail, the use, the consumption, the distribution, the storage, lease, or rental of tangible personal property (property) in La., as well as certain specific services. (R.S. 47:302, 321, and 331)

Present law provides definitions for terms used for purposes of state and local sales and use tax. Present law establishes the following *exclusions* from tax in the form of definitions:

(1) From the definition of "cost price":

The amount designated as a cash discount or a rebate by a vendor or manufacturer of any new vehicle subject to the motor vehicle license tax.

The portion of the value of refinery gas in excess of 52 cents per thousand cubic feet multiplied by a fraction the numerator of which shall be the posted price for a barrel of West Texas Intermediate Crude Oil on December first of the preceding calendar year and the denominator of which shall be \$29.

Payments made by a manufacturer directly to a dealer of the manufacturer's product for the purpose of reducing the retail "cost price" of that product.

Manufacturing machinery and equipment, for the following sectors: manufacturing, agriculture, forestry, fishing, hunting, power generation, recyclable material sales, news publications, radio broadcasting, and specific farm equipment.

Electricity and natural gas purchased or used by paper or wood products manufacturing facilities.

Property consumed in the manufacturing process by paper and wood products manufacturers.

(2) From the definition of "hotel", for purposes of the sales tax on services, nonprofit camp and retreat facilities, and facilities devoted exclusively to the temporary housing of homeless transient persons who are charged no more than \$20 per day.

(3) From the definition of "lease or rental":

Oilfield drilling equipment to be re-leased or re-rented.

Property used by a private contractor in the performance of a contract for the U.S. Navy.

Airplanes or airplane equipment used by a commuter airline domiciled in La.

- Materials and equipment used for instruction by a private elementary or secondary school.
- Manufacturing machinery and equipment used for purposes related to production of biodiesel.
- Pallets used by a manufacturer for packaging.
- (4) From the definition of "person", private colleges and universities.
- (5) From the definition of "retail sale":
- Natural gas used in certain iron production methods.
- Electricity for chlor-alkali manufacturing.
- A new school bus or a school bus that is less than 5 years old purchased by an independent operator, to be used to service a public school.
- Airplanes and airplane equipment for a commuter airline domiciled in La.
- La. manufactured or assembled passenger aircraft to be delivered outside of La.
- Pollution control equipment.
- Pelletized paper waste used as fuel for power generation.
- Property sold by a private elementary or secondary school, the proceeds of which support the school.
- Manufacturing machinery and equipment used for purposes related to production of biodiesel.
- Telephone directories used for advertising.
- Natural gas to be held, used or consumed in providing natural gas storage ("cushion" or "pad" gas).
- Used books and course-related software purchased by online private colleges and universities, which materials are provided to students free of charge.
- Food bought by a private elementary or secondary school for a breakfast or lunch program.
- Storm shutter devices.
- Property sold at a military installation.
- Anthropogenic carbon dioxide used in a qualified tertiary recovery project (mineral exploration and production).
- Property sold at an event for La. culture, crafts, food, art, and music, with a five year annual attendance in excess of 300,000 (New Orleans Jazz Festival).
- (6) From the definition of "sales price":
- That portion of the value of refinery gas sold to another person by the person who owns the gas generation facility, whether at retail or wholesale, that is in excess of

52 cents per thousand cubic feet multiplied by a fraction the numerator of which shall be the posted price for a barrel of West Texas Intermediate Crude Oil on December first of the preceding calendar year and the denominator of which shall be \$29.

Payments made by a manufacturer directly to a dealer of the manufacturer's product for the purpose of reducing the retail "sales price" of the product.

Manufacturing machinery and equipment, for the following sectors: manufacturing, agriculture, forestry, fishing, hunting, power generation, recyclable material sales, news publications, radio broadcasting, and specific farm equipment.

Speciality items sold to members of a nonprofit carnival organizations for fund-raising purposes if the members are participating in a parade sponsored by the organization.

Electric power and natural gas purchased or used by paper or wood products manufacturing facilities.

(7) From the definition of "sales of services":

Admissions to and membership fees or dues for nonprofit civic organizations, including by way of illustration and not of limitation the YMCA, YWCA, and Catholic Youth Organizations.

Admissions to museums.

Admissions to nonprofit camp or retreat facilities.

Repairs performed in La. when property is to be exported.

Labor, materials, services, and supplies for repairing, or converting a drilling rig, if the drilling rig is used in Outer Continental Shelf waters.

Services performed by a private contractor under contract with the U.S. Navy for the construction or overhaul of marine vessels.

Services performed at an event for La. culture, crafts, food, art, and music, with a five year annual attendance in excess of 300,000 (New Orleans Jazz Festival).

(8) From the definition of "tangible personal property":

Numismatic coins, and platinum, gold, and silver bullion.

Geophysical survey information or geophysical data analysis transferred in the form of tangible personal property and furnished under a restricted use agreement.

Custom computer software.

Equipment used for digital television conversion.

Machinery and equipment used by a glass manufacturer, radio station, or public utility in New Orleans, and tooling machinery used in a compression mold process.

Newspapers.

(9) From the definition of "use":

Rental of motor vehicles and other tangible personal property.

Property sold by a private elementary or secondary school, the proceeds of which support the school.

Free telephone directories used for advertising.

Manufacturing machinery and equipment used for purposes related to production of biodiesel.

Use of educational materials and equipment by private elementary and secondary schools.

Used books and course-related software by online private colleges and universities if purchased from outside of La. and provided to students free of charge.

Storm shutter device.

Anthropogenic carbon dioxide used in a qualified tertiary recovery project (mineral exploration and production).

Proposed law changes present law by limiting the application of the exclusions to the 3% state sales and use tax (R.S. 47:302 and 331).

Present law establishes the following exemptions from state sales and use taxes:

- (1) All transactions of an offtrack wagering facility.
- (2) All transactions by the La. Insurance Guaranty Association.
- (3) All transactions of a nonprofit electric cooperative.
- (4) All transactions of a private contractor for the construction and operation of a sewerage or wastewater treatment facility for a political subdivision.
- (5) Boiler fuel.
- (6) New motor vehicles, aircraft, boats and other water craft that are withdrawn from stock by a factory authorized dealer of such equipment for use as demonstrators.
- (7) Meals furnished by educational institutions, hospitals, nursing homes, adult continuing care retirement communities, mental institutions, and boarders of rooming houses.
- (8) Labor, materials, services, and supplies for repairing, or converting a drilling rig, if the drilling rig is used in Outer Continental Shelf waters.
- (9) Adaptive driving equipment and motor vehicle modifications prescribed for personal use by a physician, a licensed chiropractor, or a driver rehabilitation specialist licensed by the state.
- (10) Amounts paid by radio and television broadcasters for the right to exhibit or broadcast copyrighted material and the use of film, video or audio tapes, records or any other means supplied by licensors thereof in connection with such exhibition or broadcast and the sales and use tax shall not apply to licensors or distributors thereof.
- (11) Admissions to performances by little theaters.

- (12) Admissions to performances by nonprofit musical organizations.
- (13) Amounts paid by the operator of a motion picture theatre to a distributing agency for use of films of photoplay.
- (14) Admissions to entertainment events furnished by nonprofit charitable, educational and religious organizations when the entire proceeds from such sales, except for necessary expenses connected with the entertainment events, are used for the purposes for which the organizations furnishing the events were organized.
- (15) Vehicles loaned by a motor vehicle dealer free of charge to a secondary school, college, or public school board for exclusive use in a driver education program.
- (16) Pharmaceutical samples distributed without charge.
- (17) Catalogs.
- (18) Steam, water, electric power, and natural gas, boiler fuel utilized for nonresidential purposes (business utilities).
- (19) Newspapers published in La. by religious organizations.
- (20) An event sponsored by a domestic nonprofit organization that is exempt from tax under Section 501(c)(3) of the Internal Revenue Code when the event provides La. heritage, culture, crafts, art, food, and music, and the sponsor has contracted for production management and financing services for the event.
- (21) Installation and service of cable television equipment fees paid by a subscriber.
- (22) Use of coin-operated washing or drying machines in a commercial laundromat.
- (23) Purchases of materials, supplies, fuel, and repairs for the vessel of a qualified commercial fisherman.
- (24) Purchases of materials, supplies, and repair services by certain seafood-processing facilities.
- (25) Gasahol.
- (26) Materials for the construction of and supplies for the operation of any not-for-profit retirement center owned or operated by any public trust authority or not-for-profit.
- (27) Sales of Ducks Unlimited or Bass Life or any of their chapters or any rental or purchase of property or services by Ducks Unlimited or Bass Life or any of their chapters.
- (28) Gate admissions to grounds and parking fees at fairs and festivals sponsored by recognized nonprofit organizations chartered under the state of La.
- (29) Vessels leased for use offshore beyond the territorial limits of La. for the production of oil, gas, sulphur, and other minerals or for the providing of services to those engaged in such production.
- (30) Diesel fuel, butane, propane, or other liquefied petroleum gases used or consumed for farm purposes.
- (31) Purchases or sales of specialty items for use in connection with Mardi Gras activities.

- (32) Admission to ballet performances of nonprofit ballet organizations.
- (33) Sales made by nonprofit organizations dedicated to the conservation of fish or migratory waterfowl.
- (34) Raw materials used in printing processes.
- (35) Purchase of trucks with a gross weight of 26,000 pounds or more and certain trailers if used at least 80% of the time in interstate commerce and whose activities are subject to the jurisdiction of the U.S. D.O.T.
- (36) Purchase of certain contract carrier buses used 80% of the time in interstate commerce.
- (37) Parts or services used in the fabrication, modification, or repair of rail rolling stock.
- (38) Utilities, including electricity, used by steelworks and blast furnaces.
- (39) Purchases of certain items of tangible personal property, made on the first consecutive Friday and Saturday of August each year.
- (40) Sale of original, one-of-a-kind art from an established location within the boundaries of a cultural product district.
- (41) The first \$1,500 of the purchase price of certain hurricane preparedness items or supplies purchased on Saturday and Sunday during the last weekend in May of each year.
- (42) Purchases of construction supplies by Habitat for Humanity affiliates, Fuller Center for Housing covenant partners, and the Make it Right Foundation.
- (43) Purchase of certain water conservation equipment for use within the Sparta Groundwater Conservation District.
- (44) Purchases of firearms, ammunition, and hunting supplies for the first consecutive Friday through Sunday of September.
- (45) Purchases of polyroll tubing used for commercial farm irrigation.
- (46) Purchase, lease, or repair of capital equipment or software used to operate capital equipment at qualifying radiation therapy centers.
- (47) Purchase of certain construction materials by Hands on New Orleans and Rebuilding Together New Orleans covenant partners used on residential dwellings destroyed or damaged by Hurricanes Katrina or Rita.
- (48) Breastfeeding items.
- (49) Purchase, use, or rental of materials, services, property, and supplies by the Fore!Kids Foundation.
- (50) Purchase of certain construction supplies by the Make it Right Foundation.
- (51) Purchase of certain construction supplies by the St. Bernard Project, Inc.
- (52) Antique airplanes and certain other aircraft.

Proposed law changes present law by limiting the applicability of the exemptions provided in present law to the 3% state sales and use tax (R.S. 47:302 and 331).

Present law authorizes a refund of state sales and use taxes paid with regard to certain materials used in the rehabilitation of an existing structure or the construction of a new house and associated improvements in an approved housing development area as provided in the Louisiana Housing Area Development Law.

Proposed law changes present law by limiting the applicability of the refund provided in present law to the 3% state sales and use tax (R.S. 47:302 and 331).

Present law authorizes a refund of state sales and use taxes collected by a qualified charitable organization on the sale of donated tangible personal property or items made from such donated property. The monies refunded must be used exclusively in La. for land acquisition, capital construction, or equipment, or debt service related thereto, or job training, job placement, employment, or other related community services and support program costs.

Proposed law limits the refund provided in present law to the 3% state sales and use tax (R.S. 47:302 and 331).

Present law authorizes a refund of state sales and use taxes paid by international travelers.

Proposed law limits the refund provided in present law to the 3% state sales and use tax (R.S. 47:302 and 331).

Present law authorizes a dealer to deduct \$25 per cash register as compensation for the cost of reprogramming cash registers as a result of a change in the state sales and use tax rate or base. The amount is deducted from the state tax collections before they are remitted to the Dept. of Revenue.

Proposed law repeals present law.

Repeals provisions of present law concerning use of alternative substances as fuel which are null, void, and of no effect.

Provisions of proposed law sunset on April 1, 2019.

Effective April 1, 2016.

(Amends R.S. 4:168 and 227, R.S. 12:425, R.S. 22:2065, R.S. 33:4169(D), R.S. 40:582.7 (intro. para.), R.S. 47:301(3), (6) through (10), (13) through (16), (18), and (27), 302(R)(2) and (3), (S), and (T), 305(D)(1)(b) through (d), (g) through (i), and (u), (2)(a)(intro. para.), (F), and (I), 305.6 through 305.9, 305.13, 305.14(A)(1), 305.16, 305.17, 305.18(A), 305.19, 305.20(C), 305.25(A)(intro. para.), 305.26, 305.28(A), 305.33, 305.40(A)(intro. para.), 305.41, 305.42, 305.43(A), 305.44(A)(intro. para.), 305.45(A)(intro. para.), 305.47, 305.49, 305.50(A)(1) and (2)(a), (B), and (E)(2), 305.51(A), 305.54(B)(1), 305.57(A), 305.58(A)(1), 305.59, 305.61(A), 305.62(B)(1), 305.63, 305.64(A)(1), 305.65(A), 305.67, 305.68, 305.70, 305.71, 331(P)(3) and (4), (Q) and (R), and 6001(A), and R.S. 51:1307(C); Repeals §4 of Act No. 386 of 1990 R.S.)

Summary of Amendments Adopted by House

The House Floor Amendments to the engrossed bill:

1. Restore the following exclusions to full applicability to all state sales and use taxes:
 - a. The first \$50K of new farm equipment used in poultry production.

- b. For 54% of the value of a new factory built home, and the entire value of a used factory built home.
2. Restore the following exemptions to full applicability to all state sales and use taxes:
 - a. Animal feed and feed additives for animals kept for business purposes.
 - b. Materials, supplies, equipment, fuel, and vessels used in the production of crawfish.
 - c. Materials, supplies, equipment, fuel, and vessels used in the production of catfish.
 - d. The first \$50K of the sales price of certain farm equipment that includes storage of grain.
 - e. Racehorses.
 - f. Fertilizer and containers used for farm purposes.
 - g. Sales of 50 ton vessels and new component parts and services for such vessels.
 - h. Pesticide used for agricultural purposes.
 - i. First \$50K of the sales price of farm irrigation equipment.
 - j. Rail rolling stock sold or leased in La.
 - k. Railroad ties modified in La.
 - l. Councils on aging.
3. Remove changes to the dedication and distribution of state sales and use tax for economic development.
4. Change the effectiveness of the Act from contingent upon passage of other bills to April 1, 2016.
5. Add an April 1, 2019, sunset for all provisions of proposed law.