

2016 First Extraordinary Session

HOUSE BILL NO. 117

BY REPRESENTATIVE IVEY

TAX/SALES & USE: Dedicates the avails of the existing one percent state sales and use tax to the Stability in Higher Education Fund and provides with respect to the extent of that tax base for purposes of monies available for deposit into the fund (Items #7 and 36)

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(A)(2), (4)(a), (5) and (6),

5 (D)(1)(b) through (d), (f) through (i), and (u), (2)(a)(introductory paragraph), (F), and

6 (I), 305.1(A) and (B), 305.6 through 305.9, 305.13, 305.14(A)(1), 305.16, 305.17,

7 305.18(A), 305.19, 305.20(C), 305.25(A)(introductory paragraph), 305.26,

8 305.28(A), 305.33, 305.37(A), 305.40(A)(introductory paragraph), 305.41, 305.42,

9 305.43(A), 305.44(A), 305.45(A)(introductory paragraph), 305.47, 305.49,

10 305.50(A)(1) and (2)(a), (B), (E), and (F), 305.51(A), 305.54(B)(1), 305.57(A),

11 305.58(A)(1), 305.59, 305.61(A), 305.62(B)(1), 305.63, 305.64(A)(1), 305.65(A),

12 305.66(A), 305.67, 305.68, 305.70, 305.71, 318(A), 321(H), (I), (J), and (K),

13 331(P)(3) and (4), (Q) and (R), and 6001(A), and R.S. 51:1307(C), and to enact

14 Subpart T of Part II-A of Chapter 1 of Subtitle I of Title 39 of the Louisiana Revised

15 Statutes of 1950, to be comprised of R.S. 39:100.147, and to repeal Section 4 of Act

16 No. 386 of 1990, relative to state revenues; to dedicate certain state sales and use tax

17 revenues for support of post-secondary education; to establish a special treasury

18 fund; to provide for the deposit and use of monies in the fund; to provide with

1 respect to the applicability of certain exclusions and exemptions from the state sales
2 and use tax base; to provide for effectiveness; and to provide for related matters.

3 Be it enacted by the Legislature of Louisiana:

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

5 §168. 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 in this Part are in lieu of
8 all other such licenses, ~~sales~~, excise taxes and occupational taxes ~~to, and certain sales~~
9 and use taxes imposed by the state or to any parish, city, town, or other political
10 subdivision thereof. The taxable transactions of a licensee shall be subject to the
11 state sales and use taxes imposed under Chapter 2 of Subtitle II of Title 47 of the
12 Louisiana Revised Statutes of 1950, as amended.

13 * * *

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

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

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

24 §425. Taxation

25 Each cooperative shall pay annually, on or before the first day of July, to the
26 department of revenue, a fee of ten dollars for each one hundred persons or fraction
27 thereof to whom electricity is supplied within the state by it, but shall be exempt
28 from all other excise and income taxes whatsoever. However, the exemption
29 authorized under this Section shall not be applicable to taxable transactions subject

1 to the state sales and use taxes imposed under Chapter 2 of Subtitle II of Title 47 of
2 the Louisiana Revised Statutes of 1950, as amended.

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

4 §2065. Tax exemption

5 The association shall be exempt from payment of all fees and all taxes levied
6 by this state under R.S. 47:321 and 331 or those taxes levied by any of its political
7 subdivisions ~~except~~ with the exception of taxes levied on real or personal property.

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

9 §4169. Collection contracts for sewerage service charges; access charges;
10 enforcement procedures for delinquent charges

11 * * *

12 D. Any municipal corporation, parish, or sewerage or water district shall
13 have the power to execute and enter into a contract with any private company for the
14 construction of sewerage or wastewater treatment facilities and for the operation of
15 such facilities. Any such private company shall have in its construction and
16 operation of such facilities the same ad valorem and sales tax liability exemption as
17 the municipal corporation, parish, or sewerage or water district with which it
18 contracts for such purpose; however, this exemption shall not be applicable to
19 taxable transactions subject to the state sales and use taxes imposed under Chapter
20 2 of Subtitle II of Title 47 of the Louisiana Revised Statutes of 1950, as amended.

21 * * *

22 Section 5. Subpart T of Part II-A of Chapter 1 of Subtitle I of Title 39 of the
23 Louisiana Revised Statutes of 1950, to be comprised of R.S. 39:100.147, is hereby enacted
24 to read as follows:

25 SUBPART T. STABILITY IN HIGHER EDUCATION FUND

26 §100.147. Stability in Higher Education Fund; support of public post-secondary
27 education

28 Beginning April 1, 2016, the Stability in Education Fund, hereinafter referred
29 to as "fund", shall be established as a special treasury fund for the support of public

1 post-secondary education. The source of monies for the fund shall be the avails of
2 the state sales and use taxes imposed under R.S. 47:302. After satisfying the
3 requirements of the Bond Security and Redemption Fund as provided in Article VII,
4 Section 9(B) of the Louisiana Constitution, the state treasurer shall deposit in and
5 credit to the fund an amount equal to the avails of the tax. Monies in the fund shall
6 be available for appropriation exclusively for purposes of post-secondary education.
7 Monies in the fund shall be invested in the same manner as the state general fund and
8 any earnings thereon shall accrue to the fund. Unexpended and unencumbered
9 monies in the fund at the end of the fiscal year shall remain in the fund.

10 Section 6. R.S. 40:582.7(introductory paragraph) is hereby amended and reenacted
11 to read as follows:

12 §582.7. Incentives

13 The governing authority and the Department of Revenue shall refund or
14 cause to have refunded, in accordance with rules and regulations adopted by the
15 governing authority and rules and regulations adopted by the Department of
16 Revenue, to eligible persons those state sales and use taxes imposed and collected
17 under R.S. 47:321 and 331 and any local ~~and state~~ sales and use taxes collected as
18 a consequence of the purchase of materials used in the restoration, renovation, or
19 rehabilitation of an existing structure or the construction of a new house and
20 associated improvements in an approved housing development area provided:

21 * * *

22 Section 7. R.S. 47:301(3), (6) through (10), (13) through (16), (18), and (27),
23 302(R)(2) and (3), (S), and (T), 305(A)(2), (4)(a), (5) and (6), (D)(1)(b) through (d), (f)
24 through (i), and (u), (2)(a)(introductory paragraph), (F), and (I), 305.1(A) and (B), 305.6
25 through 305.8, 305.13, 305.14(A)(1), 305.16, 305.17, 305.18(A), 305.19, 305.20(C),
26 305.25(A)(introductory paragraph), 305.26, 305.28(A), 305.33, 305.37(A),
27 305.40(A)(introductory paragraph), 305.41, 305.42, 305.43(A), 305.44(A),
28 305.45(A)(introductory paragraph), 305.47, 305.49, 305.50(A)(1) and (2)(a), (B), (E), and
29 (F), 305.51(A), 305.54(B)(1), 305.57(A), 305.58(A)(1), 305.59, 305.61(A), 305.62(B)(1),

1 305.63, 305.64(A)(1), 305.65(A), 305.66(A), 305.67, 305.68, 305.70, 305.71, 318(A),
2 321(H), (I), (J), and (K), 331(P)(3) and (4), (Q) and (R), and 6001(A) are hereby amended
3 and reenacted to read as follows:

4 §301. Definitions

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

8 * * *

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

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

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

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

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

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

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

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

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

28 (iii) The method for determining cost price of interchangeable components
29 provided for in this Paragraph shall apply to any use taxes imposed by a local

1 political subdivision or school board. For purposes of that application, the words
2 "political subdivision" or "school board" as the case may be, shall be substituted for
3 the words "Louisiana" or "State" in each instance where those words appear in this
4 Paragraph and an appropriate official of the local political subdivision or school
5 board shall be designated to receive the notices required by this Paragraph.

6 (e) ~~Cost~~ For purposes of the state sales and use taxes imposed under R.S.
7 47:321 and 331 and the sales and use tax imposed by any political subdivision, the
8 term "cost price" shall not include any amount designated as a cash discount or a
9 rebate by a vendor or manufacturer of any new vehicle subject to the motor vehicle
10 license tax. For purposes of this Paragraph "rebate" means any amount offered by
11 the vendor or manufacturer as a deduction from the listed retail price of the vehicle.

12 (f) ~~The~~ For purposes of the state sales and use taxes imposed under R.S.
13 47:321 and 331 and the sales and use tax imposed by any political subdivision, the
14 "cost price" of refinery gas shall be fifty-two cents per thousand cubic feet multiplied
15 by a fraction the numerator of which shall be the posted price for a barrel of West
16 Texas Intermediate Crude Oil on December first of the preceding calendar year and
17 the denominator of which shall be twenty-nine dollars, and provided further that such
18 cost price shall be the maximum value placed upon refinery gas by the state and by
19 any political subdivision under any authority or grant of power to levy and collect
20 use taxes.

21 (g) "Cost price", for purposes of the use tax imposed by the state under R.S.
22 47:321 and 331 and its political subdivisions, shall exclude any amount that a
23 manufacturer pays directly to a dealer of the manufacturer's product for the purpose
24 of reducing and that actually results in an equivalent reduction in the retail "cost
25 price" of that product. This exclusion shall not apply to the value of the coupons that
26 dealers accept from purchasers as part payment of the "sales price" and that are
27 redeemable by the dealers through manufacturers or their agents. The value of such
28 coupons is deemed to be part of the "cost price" of the product purchased through the
29 use of the coupons.

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

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

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

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

12 (i)(i) For purposes of the imposition of the use tax levied by the state ~~and any~~
13 ~~political subdivision whose boundaries are coterminous with those of the state under~~
14 R.S. 47:321 and 331, the cost price of machinery and equipment used by a
15 manufacturer in a plant facility predominately and directly in the actual
16 manufacturing for agricultural purposes or the actual manufacturing process of an
17 item of tangible personal property, which is for ultimate sale to another and not for
18 internal use, at one or more fixed locations within Louisiana, shall be reduced as
19 follows:

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

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

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

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

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

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

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

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

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

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

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

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

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

22 (eee) Machinery and equipment used primarily to produce a news
23 publication whether it is ultimately sold at retail or for resale or at no cost. Such
24 machinery and equipment shall include but not be limited to all machinery and
25 equipment used primarily in composing, creating, and other prepress operations,
26 electronic transmission of pages from prepress to press, pressroom operations, and
27 mailroom operations and assembly activities. The term "news publication" shall
28 mean any publication issued daily or regularly at average intervals not exceeding
29 three months, which contains reports of varied character, such as political, social,

1 cultural, sports, moral, religious, or subjects of general public interest, and
2 advertising supplements and any other printed matter ultimately distributed with or
3 a part of such publications.

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

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

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

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

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

20 (bb) "Manufacturer" means:

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

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

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

18 (I) Repackaging or redistributing.

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

21 (III) The storage of tangible personal property.

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

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

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

27 (dd) "Manufacturing for agricultural purposes" means the production,
28 processing, and storing of food and fiber and the production, processing, and storing
29 of timber.

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

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

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

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

14 (j) For the purpose of the sales and use taxes imposed by the state ~~or any~~
15 ~~political subdivision whose boundaries are coterminous with those of the state~~ under
16 R.S. 47:321 and 331, the "cost price" of electric power or energy, or natural gas for
17 the period beginning July 1, 2007 and thereafter, purchased or used by paper or wood
18 products manufacturing facilities shall not include any of such cost.

19 (k)(i) For purposes of the imposition of the sales and use tax levied by the
20 ~~state or any political subdivision whose boundaries are coterminous with those of the~~
21 ~~state~~ under R.S. 47:321 and 331, the tax on the cost price of tangible property
22 consumed in the manufacturing process, such as fuses, belts, felts, wires, conveyor
23 belts, lubricants, and motor oils and the tax on the cost price of repairs and
24 maintenance of manufacturing machinery and equipment shall be reduced as follows:

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

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

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

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

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

9 * * *

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

14 (b) For purposes of the sales and use taxes ~~of all tax authorities in this state,~~
15 imposed by the state under R.S. 47:321 and 331 and any sales and use tax imposed
16 by a political subdivision, the term "hotel" as defined herein shall not include camp
17 and retreat facilities owned and operated by nonprofit organizations exempt from
18 federal income tax under Section 501(a) of the Internal Revenue Code as an
19 organization described in Section 501(c)(3) of the Internal Revenue Code provided
20 that the net revenue derived from the organizations's property is devoted wholly to
21 the nonprofit organization's purposes. However, for purposes of this Paragraph, the
22 term "hotel" shall include camp and retreat facilities which shall sell rooms or other
23 accommodations to transient guests who are not attending a function of such
24 nonprofit organization that owns and operates the camp and retreat facilities or a
25 function of another nonprofit organization exempt from federal income tax under
26 Section 501(a) of the Internal Revenue Code as an organization described in Section
27 501(c)(3) of the Internal Revenue Code. It is the intention of the legislature to tax
28 the furnishing of rooms to those who merely purchase lodging at such facilities.

1 (c) For purposes of the sales and use taxes ~~of all tax authorities in this state~~
2 imposed by the state under R.S. 47:321 and 331 and any sales and use tax imposed
3 by a political subdivision, the term "hotel", as defined herein, shall not include a
4 temporary lodging facility which is operated by a nonprofit organization described
5 in Section 501(c)(3) of the Internal Revenue Code, provided that the facility is
6 devoted exclusively to the temporary housing, for periods no longer than thirty days'
7 duration, of homeless transient persons whom the organization determines to be
8 financially incapable of engaging lodging at a facility defined by Subparagraph (a)
9 of this Paragraph, and further provided that the lodging charge to such persons is no
10 greater than twenty dollars per day.

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

20 (b) ~~The~~ For purposes of the sales and uses taxes imposed by the state under
21 R.S. 47:321 and 331 and any sales and use tax imposed by a political subdivision,
22 the term "lease or rental", however, as herein defined, shall not mean or include the
23 lease or rental made for the purposes of re-lease or re-rental of casing tools and pipe,
24 drill pipe, tubing, compressors, tanks, pumps, power units, other drilling or related
25 equipment used in connection with the operating, drilling, completion, or reworking
26 of oil, gas, sulphur, or other mineral wells.

27 (c) ~~The~~ For purposes of the sales and uses taxes imposed by the state under
28 R.S. 47:321 and 331 and any sales and use tax imposed by a political subdivision,
29 the term "lease or rental", as herein defined shall not mean or include a lease or

1 rental of property to be used in performance of a contract with the United States
2 Department of the Navy for construction or overhaul of U.S. Naval vessels.

3 (d) ~~The~~ For purposes of the sales and uses taxes imposed by the state under
4 R.S. 47:321 and 331 and any sales and use tax imposed by a political subdivision,
5 the term "lease or rental", as herein defined, shall not mean the lease or rental of
6 airplanes or airplane equipment by a commuter airline domiciled in Louisiana.

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

11 (f) For purposes of ~~state and political subdivision sales and use tax~~ sales and
12 use taxes imposed by the state under R.S. 47:321 and 331 and any sales and use tax
13 imposed by a political subdivision, "lease or rental" shall not mean the lease or rental
14 of educational materials or equipment used for classroom instruction by approved
15 parochial and private elementary and secondary schools which comply with the court
16 order from the Dodd Brumfield decision and Section 501(c)(3) of the Internal
17 Revenue Code, limited to books, workbooks, computers, computer software, films,
18 videos, and audio tapes.

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

23 (h) For purposes of state and political subdivision sales and use tax, the term
24 "lease or rental" shall not mean or include the lease or rental of motor vehicles by
25 licensed motor vehicle dealers, as defined in R.S. 32:1252(14), or vehicle
26 manufacturers, as defined in R.S. 32:1252(11), for their use in furnishing such leased
27 or rented motor vehicles to their customers in performance of their obligations under
28 warranty agreements associated with the purchase of a motor vehicle or when the

1 applicable warranty has lapsed and the leased or rented motor vehicle is provided to
2 the customer at no charge.

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

8 (j) Solely for purposes of the sales and use tax levied by the state ~~or any~~
9 ~~political subdivision whose boundaries are coterminous with those of the state~~ under
10 R.S. 47:321 and 331, the term "lease or rental" shall not include the lease or rental
11 in this state of manufacturing machinery and equipment used or consumed in this
12 state to manufacture, produce, or extract unblended biodiesel.

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

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

19 (l)(i) For purposes of the sales and use tax levied by ~~all tax authorities in this~~
20 ~~state~~ the state under R.S. 47:321 and 331 and any sales and use tax imposed by a
21 political subdivision, the term "lease or rental" shall not apply to leases or rentals of
22 pallets which are used in packaging products produced by a manufacturer.

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

27 (8)(a) "Person", except as provided in Subparagraph (c), includes any
28 individual, firm, copartnership, joint adventure, association, corporation, estate, trust,
29 business trust, receiver, syndicate, this state, any parish, city and parish,

1 municipality, district or other political subdivision thereof or any board, agency,
2 instrumentality, or other group or combination acting as a unit, and the plural as well
3 as the singular number.

4 (b) Solely for purposes of the payment of state sales or use tax imposed
5 under R.S. 47:321 and 331 on the lease or rental or the purchase of tangible personal
6 property or services, "person" shall not include a regionally accredited independent
7 institution of higher education which is a member of the Louisiana Association of
8 Independent Colleges and Universities, if such lease or rental or purchase is directly
9 related to the educational mission of such institution. However, the term "person"
10 shall include such institution for purposes of the payment of tax on sales by such
11 institution if the sales are not otherwise exempt.

12 (c)(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, "person" shall not include this state,
14 any parish, city and parish, municipality, district, or other political subdivision
15 thereof, or any agency, board, commission, or instrumentality of this state or its
16 political subdivisions.

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

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

26 (ii) The secretary of the Department of Revenue shall promulgate rules and
27 regulations defining the terms "church" and "synagogue" for purposes of this
28 exclusion. The definitions shall be consistent with the criteria established by the

1 U.S. Internal Revenue Service in identifying organizations that qualify for church
2 status for federal income tax purposes.

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

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

12 (e)(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 "person" shall not include
14 the Society of the Little Sisters of the Poor.

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

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

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

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

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

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

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

20 (ii) Solely for purposes of the imposition of the sales and use tax levied by
21 a political subdivision or school board, "retail sale" or "sale at retail" shall mean a
22 sale to a consumer or to any other person for any purpose other than for resale in the
23 form of tangible personal property, or resale of those services defined in Paragraph
24 (14) of this Section provided the retail sale of the service is subject to sales tax in this
25 state, and shall mean and include all such transactions as the collector, upon
26 investigation, finds to be in lieu of sales; provided that sales for resale be made in
27 strict compliance with the rules and regulations. Any dealer making a sale for resale,
28 which is not in strict compliance with the rules and regulations shall himself be liable
29 for and pay the tax. A local collector shall accept a resale certificate issued by the

1 Department of Revenue, provided the taxpayer includes the parish of its principal
2 place of business and local sales tax account number on the state certificate.
3 However, in the case of an intra-parish transaction from dealer to dealer, the
4 collector may require that the local exemption certificate be used in lieu of the state
5 certificate. The department shall accommodate the inclusion of such information on
6 its resale certificate for such purposes.

7 (iii) "Retail sale" or "sale at retail" for purposes of sales and use taxes
8 imposed by the state tax on transactions involving the sale for rental of automobiles
9 which take place on or after January 1, 1991, and by political subdivisions on such
10 transactions on or after July 1, 1996, and state sales and use taxes imposed tax on
11 transactions involving the lease or rental of tangible personal property other than
12 automobiles which take place on or after July 1, 1991, means a sale to a consumer
13 or to any other person for any purpose other than for resale as tangible personal
14 property, or for lease or rental in an arm's length transaction in the form of tangible
15 personal property, and shall mean and include all such transactions as the secretary,
16 upon investigation, finds to be in lieu of sales; provided that sales for resale or for
17 lease or rental in an arm's length transaction must be made in strict compliance with
18 the rules and regulations. Any dealer making a sale for resale or for lease or rental,
19 which is not in strict compliance with the rules and regulations, shall himself be
20 liable for and pay the tax. For purposes of the imposition of the tax imposed by any
21 political subdivision of the state, for the period beginning on July 1, 1999, and
22 ending on June 30, 2000, the term "retail sale" or "sale at retail" shall not include
23 one-fourth of the sales price of any tangible personal property which is sold in order
24 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 imposed by any political
26 subdivision of the state, for the period beginning on July 1, 2000, and ending on June
27 30, 2001, the term "retail sale" or "sale at retail" shall not include one-half of the
28 sales price of any tangible personal property which is sold in order to be leased or
29 rented in an arm's length transaction in the form of tangible personal property. For

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

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

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

27 (vi) Solely for purposes of the payment of state sales and use tax, until
28 January 1, 2007, the term "sale at retail" shall not include purchases made in
29 connection with the filming or production of a motion picture by a motion picture

1 production company which has been relieved from the payment of state sales and use
2 tax under the provisions of Chapter 12 of Subtitle II of this Title, also known as the
3 "Louisiana Motion Picture Incentive Act". This exclusion shall be retroactively
4 revoked if it is determined that a motion picture production company that has been
5 relieved from payment of state sales and use tax under Chapter 12 failed to meet the
6 conditions of such relief.

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

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

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

17 (bb) Solely for purposes of the sales and use tax levied by the state under
18 R.S. 47:321 and 331, natural gas when used in the production of iron in the process
19 known as the "direct reduced iron process" is not a catalyst and is recognized by the
20 legislature to be a material for further processing into an article of tangible personal
21 property for sale at retail.

22 (ii)(aa) Solely for purposes of the sales and use tax levied by the state under
23 R.S. 47:321 and 331, the term "sale at retail" does not include sales of electricity for
24 chlor-alkali manufacturing processes.

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

27 (d) The term "sale at retail" does not include the sale of any human tissue
28 transplants, which shall be defined to include all human organs, bone, skin, cornea,

1 blood, or blood products transplanted from one individual into another recipient
2 individual.

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

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

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

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

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

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

27 (i) The term "sale at retail", for purposes of the state sales and use tax
28 imposed by the state under R.S. 47:321 and 331, does not include the purchase of a
29 new school bus or a used school bus which is less than five years old by an

1 independent operator, when such bus is to be used exclusively in a public school
2 system. This exclusion shall apply to all sales and use taxes levied by any local
3 political subdivision.

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

6 (k) ~~The~~ For purposes of the sales and use tax imposed by the state under R.S.
7 47:321 and 331 and any sales and use tax imposed by a political subdivision, the
8 term "sale at retail" shall not include the sale of airplanes or airplane equipment or
9 parts to a commuter airline domiciled in Louisiana.

10 (l) Solely for purposes of the state sales and use tax imposed under R.S.
11 47:321 and 331, the term "sale at retail" shall not include the sale of a pollution
12 control device or system. Pollution control device or system shall mean any tangible
13 personal property approved by the Department of Revenue and the Department of
14 Environmental Quality and sold or leased and used or intended for the purpose of
15 eliminating, preventing, treating, or reducing the volume or toxicity or potential
16 hazards of industrial pollution of air, water, groundwater, noise, solid waste, or
17 hazardous waste in the state of Louisiana. For the purposes of any sales and use tax
18 levied by a political subdivision, the term "sale at retail" shall include the sale of a
19 pollution control device or system. In order to qualify, the pollution control device
20 or system must demonstrate either: a net decrease in the volume or toxicity or
21 potential hazards of pollution as a result of the installation of the device or system;
22 or that installation is necessary to comply with federal or state environmental laws
23 or regulations.

24 (m) For purposes of sales and use taxes imposed or levied by the state under
25 R.S. 47:321 and 331 or any political subdivision, the term "sale at retail" shall not
26 include the sales of Louisiana-manufactured or Louisiana-assembled passenger
27 aircraft with a maximum capacity of eight persons, if, after all transportation,
28 including transportation by the purchaser, has been completed, the aircraft is
29 ultimately received by the purchaser outside of Louisiana. The place at which the

1 aircraft is ultimately received shall be considered as the place at which the aircraft
2 is stored after all transportation has been completed.

3 (n) For purposes of sales and use taxes imposed or levied by the state under
4 R.S. 47:321 and 331 or any political subdivision thereof, the term "sale at retail"
5 shall not include the sales of pelletized paper waste when purchased for use as
6 combustible fuel by an electric utility or in an industrial manufacturing, processing,
7 compounding, reuse, or production process, including the generation of electricity
8 or process steam, at a fixed location in this state. However, such sale shall not be
9 excluded unless the purchaser has signed a certificate stating that the fuel purchased
10 is for the exclusive use designated herein. For purposes of this Subparagraph,
11 "pelletized paper waste" means pellets produced from discarded waste paper that has
12 been diverted or removed from solid waste which is not marketable for recycling and
13 which is wetted, extruded, shredded, or formulated into compact pellets of various
14 sizes for use as a supplemental fuel in a permitted boiler.

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

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

23 (q) For purposes of ~~state and political subdivision sales and use tax~~ sales and
24 use tax imposed by the state under R.S. 47:321 and 331, the term "sale at retail" shall
25 not include:

26 (i) The sale of tangible personal property by approved parochial and private
27 elementary and secondary schools which comply with the court order from the Dodd
28 Brumfield decision and Section 501(c)(3) of the Internal Revenue Code, or students,
29 administrators, or teachers, or other employees of the school, if the money from such

1 sales, less reasonable and necessary expenses associated with the sale, is used solely
2 and exclusively to support the school or its program or curricula. This exclusion
3 shall not be construed to allow tax-free sales to students or their families by
4 promoters or regular commercial dealers through the use of schools, school faculty,
5 or school facilities.

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

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

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

28 (t) For purposes of sales and use taxes levied by the state under R.S. 47:321
29 and 331 or any political subdivision of the state, the term "sale at retail" shall not

1 include the transfer of title to or possession of telephone directories by an advertising
2 company that is not affiliated with a provider of telephone services if the telephone
3 directories will be distributed free of charge to the recipients of the telephone
4 directories.

5 (u) 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, "sale at retail" by a person
8 shall not mean or include the sale of tangible personal property if such sale is made
9 under the provisions of Medicare.

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

23 (w) For purposes of the imposition of sales and use taxes imposed or levied
24 by any political subdivision of the state, in the case of the sale or other disposition
25 by a dealer of any cellular telephone, PCS telephone, wireless telephone, or other
26 wireless personal communication device that is used in connection with the sale or
27 use of mobile telecommunications services, or any electronic accessory that is
28 physically connected with any such telephone or personal communication device, the
29 term "retail sale" or "sale at retail" shall mean and include the sale or any other

1 disposition of any such telephone, other personal communication device, or
2 electronic accessory.

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

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

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

10 (y)(i) Solely for the purposes of sales and use taxes levied by the state ~~or any~~
11 ~~political subdivision whose boundaries are coterminous with those of the state~~ under
12 R.S. 47:321 and 331, the term "sale at retail" shall not include the sale of
13 manufacturing machinery and equipment used or consumed in this state to
14 manufacture, produce, or extract unblended biodiesel.

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

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

28 (bb) "Unblended biodiesel" means a fuel comprised of mono-alkyl esters of
29 long chain fatty acids derived from vegetable oils or animal fats, designated B100,

1 and meeting the requirements of the definition provided for in D 6751 of the
2 American Society of Testing and Materials (ATDM D 6751), before such fuel is
3 blended with a petroleum-based diesel fuel.

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

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

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

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

1 (bb) For purposes of sales and use taxes imposed or levied by the state under
2 R.S. 47:321 and 331, the terms "retail sale" and "sale at retail" shall not include sales
3 of natural gas to be held, used, or consumed in providing natural gas storage services
4 or operating natural gas storage facilities.

5 (cc) For purposes of the sales and use tax imposed by the state under R.S.
6 47:321 and 331 or any political subdivision of the state, the terms "retail sale" or
7 "sale at retail" shall not mean or include the purchase of textbooks and course-related
8 software by a private postsecondary academic degree-granting institution, accredited
9 by a national or regional commission that is recognized by the United States
10 Department of Education and is licensed by the Board of Regents, which institution
11 has its main location within this state and offers only online instruction, when all of
12 the following apply:

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

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

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

20 (dd) For purposes of sales and use taxes imposed or levied by the state under
21 R.S. 47:321 and 331, the terms "retail sale" or "sale at retail" shall not include the
22 purchase of food items for school lunch or breakfast programs by nonpublic
23 elementary or secondary schools which participate in the National School Lunch and
24 School Breakfast programs or the purchase of food items by nonprofit corporations
25 which serve students in nonpublic elementary or secondary schools and which
26 participate in the National School Lunch and School Breakfast programs.

27 (ee)(i) Solely for the purposes of the imposition of the state sales and use tax
28 imposed under R.S. 47:321 and 331, the term "retail sale" and "sale at retail" shall
29 not include the sale of any storm shutter device.

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

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

8 (ff) For purposes of sales taxes imposed by the state under R.S. 47:321 and
9 331 or any political subdivision of the state, the term "retail sale" or "sale at retail"
10 shall not include sales of tangible personal property by the Military Department, state
11 of Louisiana, which occur on an installation or other property owned or operated by
12 the Military Department.

13 (gg) For purposes of sales and use tax imposed by the state under R.S.
14 47:321 and 331 or any political subdivision of the state, the term "sale at retail" shall
15 not include the sale of anthropogenic carbon dioxide for use in a qualified tertiary
16 recovery project approved by the assistant secretary of the office of conservation of
17 the Department of Natural Resources pursuant to R.S. 47:633.4.

18 (hh) For purposes of sales and use tax imposed by the state under R.S.
19 47:321 and 331, ~~any political subdivision whose boundaries are coterminous with~~
20 ~~those of the state~~, or any other political subdivision, the term "sale at retail" shall not
21 include the sale of tangible personal property at an event providing Louisiana
22 heritage, culture, crafts, art, food, and music which is sponsored by a domestic
23 nonprofit organization that is exempt from tax under Section 501(c)(3) of the
24 Internal Revenue Code. The provisions of this Subparagraph shall apply only to an
25 event which transpires over a minimum of seven but not more than twelve days and
26 has a five-year annual average attendance of at least three hundred thousand over the
27 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

1 five most recent years. The provisions of this Subparagraph shall apply only to sales
2 by the sponsor of the event.

3 * * *

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

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

18 (c) "Sales price", for purposes of the state sales and use tax imposed under
19 R.S. 47:321 and 331 and any sales and use tax imposed by a political subdivision,
20 shall not include the first fifty thousand dollars of the sale price of new farm
21 equipment used in poultry production.

22 (d) Notwithstanding any other provision of law to the contrary, for purposes
23 ~~of state and political subdivision sales and use tax~~ state sales and use tax imposed
24 under R.S. 47:321 and 331 and the sales and use tax imposed by any political
25 subdivision, the "sales price" of refinery gas, except for feedstock, not ultimately
26 consumed as an energy source by the person who owns the facility in which the
27 refinery gas is created as provided for in Subparagraph (18)(d) of this Section, but
28 sold to another person, whether at retail or wholesale, shall be fifty-two cents per
29 thousand cubic feet multiplied by a fraction the numerator of which shall be the

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

7 (e) The term "sales price", for purposes of the sales tax imposed by the state
8 under R.S. 47:321 and 331 and by any of its political subdivisions, shall exclude any
9 amount that a manufacturer pays directly to a dealer of the manufacturer's product
10 for the purpose of reducing and that actually results in an equivalent reduction in the
11 retail "sales price" of that product. This exclusion shall not apply to the value of the
12 manufacturer's coupons that dealers accept from purchasers as part payment of the
13 "sales price" and that are redeemable by the dealers through manufacturers or their
14 agents. The value of such coupons is deemed to be part of the "sales price" of the
15 product purchased through the use of the coupons.

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

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

1 amounts received by the dealer from any source other than the purchaser as a result
2 of or in connection with the sale of the cellular, PCS, or wireless telephone, any
3 electronic accessories that are physically connected with such telephones and
4 personal communication devices.

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

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

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

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

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

26 (j) For the purpose of the imposition of sales and use tax imposed or levied
27 by any political subdivision of the state, in the case of any retail sale or sale at retail,
28 of any cellular telephone, PCS telephone, or wireless telephone used in connection
29 with the sale or use of mobile telecommunications services, as defined in R.S.

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

11 (k)(i) For purposes of the imposition of the sales tax levied by the state under
12 R.S. 47:321 and 331 ~~and any political subdivision whose boundaries are coterminous~~
13 ~~with those of the state~~, the sales price of machinery and equipment purchased by a
14 manufacturer for use in a plant facility predominately and directly in the actual
15 manufacturing for agricultural purposes or the actual manufacturing process of an
16 item of tangible personal property, which is for ultimate sale to another and not for
17 internal use, at one or more fixed locations within Louisiana shall be reduced as
18 follows:

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

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

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

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

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

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

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

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

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

14 (l)(i) For purposes of the payment of the state sales and use tax imposed
15 under R.S. 47:321 and 331 and the sales and use tax levied by any political
16 subdivision, the term "sales price" shall not include the price of specialty items sold
17 to members for fund-raising purposes by nonprofit carnival organizations domiciled
18 within Louisiana and participating in a parade sponsored by a carnival organization.

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

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

28 (m) For purposes of the sales and use tax imposed by the state under R.S.
29 47:321 and 331 ~~or any political subdivision whose boundaries are coterminous with~~

1 ~~those of the state~~, the "sales price" of electric power or energy, or natural gas for the
2 period beginning July 1, 2007, and thereafter, sold for use by paper or wood products
3 manufacturing facilities shall not include any of such price.

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

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

6 (b)(i) The sale of admissions to places of amusement, to athletic
7 entertainment other than that of schools, colleges, and universities, and recreational
8 events, and the furnishing, for dues, fees, or other consideration of the privilege of
9 access to clubs or the privilege of having access to or the use of amusement,
10 entertainment, athletic, or recreational facilities; but for purposes of the state sales and
11 use tax imposed under R.S. 47:321 and 331 and any sales and use tax imposed by any
12 political subdivision, the term "sales of services" shall not include membership fees
13 or dues of nonprofit, civic organizations, including by way of illustration and not of
14 limitation the Young Men's Christian Association, the Catholic Youth Organization,
15 and the Young Women's Christian Association.

16 (ii) ~~Places~~ For purposes of the state sales and use tax imposed under R.S.
17 47:321 and 331 and any sales and use tax imposed by any political subdivision, places
18 of amusement shall not include "museums", which are hereby defined as public or
19 private nonprofit institutions which are organized on a permanent basis for essentially
20 educational or aesthetic purposes and which use professional staff to do all of the
21 following:

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

23 (bb) Care for those objects.

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

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

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

28 (bb) Aquariums and zoological parks.

29 (cc) Botanical gardens and arboretums.

1 (dd) Nature centers.

2 (ee) Planetariums.

3 (iv) For purposes of the sales and use taxes ~~of all tax authorities in the state~~
4 imposed by the state under R.S. 47:321 and 331 and any sales and use tax imposed
5 by any political subdivision, the term "places of amusement" as used herein shall not
6 include camp and retreat facilities owned and operated by nonprofit organizations
7 exempt from federal income tax under Section 501(a) of the Internal Revenue Code
8 as an organization described in Section 501(c)(3) of the Internal Revenue Code
9 provided that the net revenue derived from the organization's property is devoted
10 wholly to the nonprofit organization's purposes.

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

13 (d) The furnishing of printing or overprinting, lithographic, multilith, blue
14 printing, photostating or other similar services of reproducing written or graphic
15 matter.

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

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

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

1 (bb)(I) For purposes of the sales and use tax levied by the state under R.S.
2 47:321 and 331 and by tax authorities in East Feliciana Parish, charges for the
3 furnishing of repairs to tangible personal property shall be excluded from sales of
4 services, as defined in this Subparagraph, when the repaired property is (1) delivered
5 to a common carrier or to the United States Post Office for transportation outside the
6 state, or (2) delivered outside the state by use of the repair dealer's own vehicle or by
7 use of an independent trucker. However, as to aircraft, delivery may be by the best
8 available means. This exclusion shall not apply to sales and use taxes levied by any
9 other parish, municipality or school board. However, any other parish, municipality
10 or school board may apply the exclusion as defined in this Subparagraph to sales or
11 use taxes levied by any such parish, municipality, or school board. Offshore areas
12 shall not be considered another state for the purpose of this Subparagraph.

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

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

24 (iii)(aa) For purposes of the sales and use taxes imposed by the state under
25 R.S. 47:321 and 331 or any of its political subdivisions, sale of services shall not
26 include the labor, or sale of materials, services, and supplies, used for the repairing,
27 renovating, or converting of any drilling rig, or machinery and equipment which are
28 component parts thereof, which is used exclusively for the exploration or

1 development of minerals outside the territorial limits of the state in Outer Continental
2 Shelf waters.

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

9 (h) ~~The~~ For purposes of the sales and use tax imposed by the state under R.S.
10 47:321 and 331 and any sales and use tax imposed by a political subdivision, the term
11 "sale of service" shall not include an action performed pursuant to a contract with the
12 United States Department of the Navy for construction or overhaul of U.S. Naval
13 vessels.

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

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

28 (k) For purposes of sales and use tax imposed by the state under R.S. 47:321
29 and 331, any political subdivision whose boundaries are coterminous with those of

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

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

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

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

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

23 (ii) ~~Gold~~ Solely for purposes of the sales and use tax imposed by the state
24 under R.S. 47:321 and 331 and any sales and use tax imposed by a political
25 subdivision, gold, silver, or numismatic coins, or platinum, gold, or silver bullion.

26 (iii) ~~Proprietary~~ Solely for purposes of the sales and use tax imposed by the
27 state under R.S. 47:321 and 331 and any sales and use tax imposed by a political
28 subdivision, proprietary geophysical survey information or geophysical data analysis

1 furnished under a restricted use agreement even though transferred in the form of
2 tangible personal property.

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

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

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

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

21 (bb) The customer's billing address.

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

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

25 (e) The term "tangible personal property" shall not include work products
26 which are written on paper, stored on magnetic or optical media, or transmitted by
27 electronic device, when such work products are created in the normal course of
28 business by any person licensed or regulated by the provisions of Title 37 of the
29 Louisiana Revised Statutes of 1950, unless such work products are duplicated without

1 modification for sale to multiple purchasers. This exclusion shall not apply to work
2 products which consist of the creation, modification, updating, or licensing of
3 computer software.

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

11 (g)(i) Notwithstanding the provisions of R.S. 9:1149.1 et seq., except as
12 otherwise provided in this Subparagraph, solely for purposes of the sales and use tax
13 imposed by the state under R.S. 47:321 and 331 and any sales and use tax imposed
14 by a political subdivision, the term "tangible personal property" shall not include
15 factory built homes.

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

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

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

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

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

28 (iv) The term "tangible personal property" as applied to sales and use taxes
29 levied by the state or any other taxing authority in the state shall include a new

1 factory built home, for the initial sale from a dealer to a consumer, but only to the
2 extent that forty-six percent of the retail sales price shall be so considered as "tangible
3 personal property". Thereafter, each subsequent resale of a factory built home shall
4 not be considered as "tangible personal property".

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

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

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

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

25 (iv) Solely for purposes of the imposition of the sales and use tax levied by
26 the state under R.S. 47:321 and 331 ~~or any political subdivision whose boundaries are~~
27 ~~coterminous with those of the state~~, for all taxable periods beginning on or after July
28 1, 2005, the term "tangible personal property" shall not include custom computer
29 software.

1 (i) Solely for purposes of the imposition of the state sales and use tax imposed
2 under R.S. 47:321 and 331, the term "tangible personal property" shall not include
3 digital television conversion equipment and digital radio conversion equipment as
4 defined in this Section.

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

6 (aa) DTV transmitter and RF system.

7 (bb) Transmission line.

8 (cc) DTV antenna.

9 (dd) Tower.

10 (ee) Existing tower structural upgrade.

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

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

13 (hh) DTV transmission system test and monitoring.

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

15 (jj) Analog to digital conversion.

16 (kk) High definition up-converters.

17 (ll) High definition bypass switcher.

18 (mm) Down converters for standard definition.

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

20 (oo) Advanced TV signal encoder.

21 (pp) DTV transmission monitoring.

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

23 (rr) High definition studio cameras.

24 (ss) High definition graphics/graphic generator.

25 (tt) High definition video monitoring.

26 (uu) Conversion gear.

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

28 (ww) High definition video/audio signal router.

29 (xx) High definition video/audio media server.

- 1 (yy) MPEG or HDTV digital receivers for program content.
- 2 (zz) High definition recorder/players, including tape, disk, etc.
- 3 (aaa) High definition video/audio media server and workstations.
- 4 (bbb) Digital EAS encoder/decoder.
- 5 (ccc) High definition camcorder, including tape, disk, etc.
- 6 (ddd) Advanced TV transmitters, including microwave.
- 7 (ii) "Digital radio conversion equipment" shall include the following:
- 8 (aa) IBOC transmitter.
- 9 (bb) IBOC main channel and IBOC combiner.
- 10 (cc) IBOC compatible antenna.
- 11 (dd) Tower.
- 12 (ee) IBOC coaxial bypass switcher.
- 13 (ff) Digital STL.
- 14 (gg) STL heliax transmission line.
- 15 (hh) STL antenna.
- 16 (ii) Digital console.
- 17 (jj) EAS insertion.
- 18 (kk) AES EBU conversion equipment.
- 19 (ll) IBOL transmission testing and monitoring equipment.
- 20 (mm) Digital processor.
- 21 (iii) The exclusion from state sales and use tax authorized by this
- 22 Subparagraph shall only apply to the first purchase of each enumerated item by an
- 23 individual taxpayer who holds a Federal Communications Commission license issued
- 24 pursuant to 47 CFR Part 73. Individual taxpayers operating under several broadcaster
- 25 licenses shall be allowed one purchase of each enumerated item per license. Each
- 26 subsequent purchase of any of the enumerated items by the same taxpayer or license
- 27 holder shall be subject to sales and use tax.
- 28 (iv) Repealed by Acts 2005, No. 243, §1, eff. June 29, 2005.

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

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

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

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

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

25 (k) The term "tangible personal property" for purposes of the sales and use
26 taxes imposed by all tax authorities in this state shall not include apheresis kits and
27 leuko reduction filters used by nonprofit blood banks and nonprofit blood collection
28 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. 47:321 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. 47:321 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. 47:321 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 47:321 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. 47:321 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. 47:321 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. 47:321 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. 47:321
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. 47:321 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. 47:321
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. 47:321 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. 47:321
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. 47:321 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. 47:321 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 47:321 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 that from April 1, 2016, it shall apply solely to the state sales and use tax imposed
2 under R.S. 47:321 and 331.

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 under R.S. 47:321 and 331
10 only. When public sales of livestock are made to consumers by any person other than
11 through a public sale sponsored by a breeders' or registry association or a livestock
12 auction market, they are not exempted from the sales and use tax imposed by the
13 state. This Section shall be construed as exempting race horses entered in races and
14 claimed at any racing meet held in Louisiana, whether the horse claimed was owned
15 by the original breeder or 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~~ imposed by the state under
20 R.S. 47:321 and 331, and taxes imposed by a political subdivision.

21 * * *

22 (5)(a) Solely for purposes of the sales and use tax levied by the state under
23 R.S. 47:321 and 331, such tax shall not apply to the sale or use of materials, supplies,
24 equipment, fuel, and related items other than vessels used in the production or
25 harvesting of crawfish. The person who purchases the exempt items shall claim the
26 exemption by executing a certificate at the time of purchase. The Department of
27 Revenue shall provide the certificates to retail merchants. Any merchant who in good
28 faith, and after examination of the applicability of the certificate to that purchase with
29 due care, neglects or fails to collect the tax herein provided, due to the presentation

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

4 (b) Solely for purposes of the sales and use tax levied by the state under R.S.
5 47:321 and 331, such tax shall not apply to the sale or use of bait and feed used in the
6 production or harvesting of crawfish. The person who purchases the exempt items
7 shall claim the exemption by executing a certificate at the time of purchase. The
8 Department of Revenue shall provide the certificates to retail merchants. Any
9 merchant who in good faith, and after examination of the applicability of the
10 certificate to that purchase with due care, neglects or fails to collect the tax herein
11 provided, due to the presentation by the purchaser of a tax exemption certificate
12 issued by the Department of Revenue, including those issued pursuant to R.S.
13 47:305.10, shall not be liable for the payment of the tax.

14 (6) Solely for purposes of the sales and use tax levied by the state under R.S.
15 47:321 and 331, such tax shall not apply to the sale or use of materials, supplies,
16 equipment, fuel, bait, and related items other than vessels used in the production or
17 harvesting of catfish. The person who purchases the exempt items shall claim the
18 exemption by executing a certificate at the time of purchase. The Department of
19 Revenue shall provide the certificates to retail merchants. Any merchant who in good
20 faith, and after examination of the applicability of the certificate to that purchase with
21 due care, neglects or fails to collect the tax herein provided, due to the presentation
22 by the purchaser of a tax exemption certificate issued by the Department of Revenue,
23 shall not be liable for the payment of the tax.

24 * * *

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

29 * * *

1 (b) Steam shall be exempt from the state sales and use tax imposed under R.S.
2 47:321 and 331, except as may otherwise be provided for with respect to R.S. 47:331
3 pursuant to HCR No. 8 of the 2015 Regular Session.

4 (c) Water shall be exempt from the state sales and use tax imposed under R.S.
5 47:321 and 331, except as may otherwise be provided for with respect to R.S. 47:331
6 pursuant to HCR No. 8 of the 2015 Regular Session (not including mineral water or
7 carbonated water or any water put in bottles, jugs, or containers, all of which are not
8 exempted).

9 (d) Electric power or energy and any materials or energy sources used to fuel
10 the generation of electric power for resale or used by an industrial manufacturing
11 plant for self-consumption or cogeneration shall be exempt from the state sales and
12 use tax imposed under R.S. 47:321 and 331, except as may otherwise be provided for
13 with respect to R.S. 47:331 pursuant to HCR No. 8 of the 2015 Regular Session.

14 * * *

15 (f) Fertilizer and containers used for farm products when sold directly to the
16 farmer shall be exempt from the state sales and use tax imposed under R.S. 47:321
17 and 331.

18 (g) Natural gas shall be exempt from the state sales and use tax imposed
19 under R.S. 47:321 and 331, except as may otherwise be provided for with respect to
20 R.S. 47:331 pursuant to HCR No. 8 of the 2015 Regular Session.

21 (h) All energy sources when used for boiler fuel except refinery gas shall be
22 exempt from the state sales and use tax imposed under R.S. 47:321 and 331.

23 (i) New trucks, new automobiles, new aircraft, and new boats, vessels, or
24 other water craft withdrawn from stock by factory authorized new truck, new
25 automobile, new aircraft dealers, and factory-authorized dealers of new boats, vessels,
26 or other water craft, and used trucks and used automobiles withdrawn from stock by
27 new or used motor vehicle dealers, which are withdrawn for use as demonstrators
28 shall be exempt from the state sales and use tax imposed under R.S. 47:321 and 331.

29 * * *

1 (u) Solely for purposes of the state sales and use tax, adaptive driving
2 equipment and motor vehicle modifications prescribed for personal use by a
3 physician, a licensed chiropractor, or a driver rehabilitation specialist licensed by the
4 state shall be exempt from the state sales and use tax imposed under R.S. 47:321 and
5 331.

6 (2)(a) Sales of meals furnished as follows shall be exempt from the state sales
7 and use tax imposed under R.S. 47:321 and 331:

8 * * *

9 F. The sales, use and lease taxes imposed by ~~taxing authorities~~ the state under
10 R.S. 47:321 and 331 and any sales and use tax imposed by a political subdivision
11 shall not apply to the amounts paid by radio and television broadcasters for the right
12 to exhibit or broadcast copyrighted material and the use of film, video or audio tapes,
13 records or any other means supplied by licensors thereof in connection with such
14 exhibition or broadcast and the sales and use tax shall not apply to licensors or
15 distributors thereof.

16 * * *

17 I. The sales and use taxes imposed by the state of Louisiana under R.S.
18 47:321 and 331 or any of its political subdivisions shall not apply to the labor, or sale
19 of materials, services, and supplies, used for 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. For the purposes of
23 this Subsection, "drilling rig" means any unit or structure, along with its component
24 parts, which is used primarily for drilling, workover, intervention or remediation of
25 wells used for exploration or development of minerals. For purposes of this
26 Subsection, "component parts" means any machinery or equipment necessary for a
27 drilling rig to perform its exclusive function of exploration or development of
28 minerals.

1 §305.1. Exclusions and exemptions; ships and ships' supplies

2 A. The tax imposed by ~~taxing authorities~~ the state under R.S. 47:321 and 331
3 and any sales and use tax imposed by a political subdivision shall not apply to sales
4 of materials, equipment, and machinery which enter into and become component parts
5 of ships, vessels, or barges, including commercial fishing vessels, drilling ships, or
6 drilling barges, of fifty tons load displacement and over, built in Louisiana nor to the
7 gross proceeds from the sale of such ships, vessels, or barges when sold by the builder
8 thereof.

9 B. The taxes imposed by ~~taxing authorities~~ the state under R.S. 47:321 and
10 331 and any sales and use tax imposed by a political subdivision shall not apply to
11 materials and supplies purchased by the owners or operators of ships, barges, or
12 vessels, including drilling ships, operating exclusively in foreign or interstate
13 coastwise commerce, where such materials and supplies are loaded upon any such
14 ship, barge, or vessel for use or consumption in the maintenance and operation
15 thereof; nor to repair services performed upon such ships, barges, or vessels operating
16 exclusively in foreign or interstate coastwise commerce; nor to the materials and
17 supplies used in such repairs where such materials and supplies enter into and become
18 a component part of such ships, barges, or vessels; nor to laundry services performed
19 for the owners or operators of such ships, barges, or vessels operating exclusively in
20 foreign or interstate coastwise commerce, where the laundered articles are to be used
21 in the course of the operation of such ships, barges, or vessels.

22 * * *

23 §305.6. Exclusions and exemptions; Little Theater tickets

24 The sales tax imposed by ~~taxing authorities~~ the state under R.S. 47:321 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 Little Theater organizations.

1 §305.7. Exclusions and exemptions; tickets to musical performances of nonprofit
2 musical organizations

3 The sales tax imposed by ~~taxing authorities~~ the state under R.S. 47:321 and
4 331 and any sales and use tax imposed by a political subdivision shall not apply to the
5 sale of admission tickets by domestic nonprofit corporations or by any other domestic
6 nonprofit organization known as a symphony organization or as a society or
7 organization engaged in the presentation of musical performances; provided that this
8 Section shall not apply to performances given by out-of-state or nonresident
9 symphony companies, nor shall this Section apply to any performance intended to
10 yield a profit to the promoters thereof.

11 §305.8. Exclusions and exemptions; pesticides used for agricultural purposes

12 The tax imposed by ~~taxing authorities~~ the state under R.S. 47:321 and 331 and
13 any sales and use tax imposed by a political subdivision shall not apply to sale at
14 retail of pesticides used for agricultural purposes, including particularly but not by
15 way of limitation, insecticides, herbicides and fungicides.

16 §305.9. Exclusions and exemptions; motion picture film rental

17 The sales and use taxes imposed by the State of Louisiana under R.S. 47:321
18 and 331 or any such taxes imposed by any parish or municipality within the state shall
19 not apply to the amount paid by the operator of a motion picture theatre to a
20 distributing agency for use of films of photoplay.

21 * * *

22 §305.13. Exclusions and exemptions; admissions to entertainments furnished by
23 certain domestic nonprofit corporations

24 The sales tax imposed by ~~taxing authorities~~ the state under R.S. 47:321 and
25 331 and any sales and use tax imposed by a political subdivision shall not apply to
26 the sale of admissions to entertainment events furnished by recognized domestic
27 nonprofit charitable, educational and religious organizations when the entire proceeds
28 from such sales, except for necessary expenses connected with the entertainment

1 events, are used for the purposes for which the organizations furnishing the events
2 were organized.

3 §305.14. Exclusions and exemptions; nonprofit organizations; nature of exemption;
4 limitations; qualifications; newspapers; determination of tax exempt status

5 A.(1)(a) The sales and use taxes imposed by ~~taxing authorities~~ the state under
6 R.S. 47:321 and 331 and any sales and use tax imposed by a political subdivision
7 shall not apply to sales of tangible personal property at, or admission charges for,
8 outside gate admissions to, or parking fees associated with, events sponsored by
9 domestic, civic, educational, historical, charitable, fraternal, or religious
10 organizations, which are nonprofit, when the entire proceeds, except for necessary
11 expenses such as fees paid for guest speakers, chair and table rentals, and food and
12 beverage utility related items connected therewith, are used for educational,
13 charitable, religious, or historical restoration purposes, including the furtherance of
14 the civic, educational, historical, charitable, fraternal, or religious purpose of the
15 organization. In addition, newspapers published in this state by religious
16 organizations shall also be exempt from such taxes, provided that the price paid for
17 the newspaper or a subscription to the newspaper does not exceed the cost to publish
18 such newspaper.

19 (b) Notwithstanding any other provision of this Section, the sales and use tax
20 imposed by ~~taxing authorities~~ the state under R.S. 47:321 and 331 and any sales and
21 use tax imposed by a political subdivision shall not apply to an event sponsored by
22 a domestic nonprofit organization that is exempt from tax under Section 501(c)(3) of
23 the Internal Revenue Code when the event provides Louisiana heritage, culture, crafts,
24 art, food, and music, and the sponsor has contracted for production management and
25 financing services for the event. Such services shall constitute necessary expenses of
26 the sponsor for purposes of the event. The provisions of this Subparagraph shall
27 apply only to the sales of tangible personal property and admission charges for,
28 outside gate admissions to, or parking fees associated with an event when the sales,
29 charges, and fees are payable to or for the benefit of the sponsor of the event. The

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

6 * * *

7 §305.16. Exclusions and exemptions; cable television installation and repair

8 The sales and use taxes imposed by the state under R.S. 47:321 and 331 or by
9 any political subdivision thereof shall not apply to necessary fees incurred in
10 connection with the installation and service of cable television. Such exemption shall
11 not apply to purchases made by any cable television system, but shall only apply to
12 funds collected from the subscriber for regular service, installation and repairs.

13 §305.17. Exclusions and exemptions; income from coin-operated washing and drying
14 machines in a commercial laundromat

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

22 §305.18. Exclusions and exemptions; fairs, festivals, and expositions sponsored by
23 nonprofit organizations; nature of exemption; limitations; qualifications

24 A.(1) The sales and use tax imposed by the state of Louisiana under ~~R.S.~~
25 ~~47:302(C)~~ and R.S. 47:321 and R.S. 47:331 shall not apply to all outside gate
26 admissions to grounds and parking fees at fairs and festivals sponsored by recognized
27 nonprofit organizations chartered under the state of Louisiana.

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

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

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

11 * * *

12 §305.19. Exclusions and exemptions; leased vessels used in the production of
13 minerals

14 The taxes imposed by ~~taxing authorities~~ the state under R.S.47:321 and 331
15 and any sales and use tax imposed by a political subdivision shall not apply to those
16 vessels which are leased for use offshore beyond the territorial limits of this state for
17 the production of oil, gas, sulphur, and other minerals or for the providing of services
18 to those engaged in such production.

19 §305.20. Exclusions and exemptions; Louisiana commercial fishermen

20 * * *

21 C. An owner who has obtained a certificate of exemption shall, with respect
22 to the vessel identified in the certificate for the harvesting or production of fish and
23 other aquatic life, including shrimp, oysters, and clams, and certain seafood
24 processing facilities described in Subsection A, be exempt from the taxes described
25 in Subsection A, as follows:

26 (1) Taxes imposed by the state under R.S. 47:321 and 331 as applied to the
27 materials and supplies necessary for repairs to the vessel or facility if they are
28 purchased by the owner and later become a component part of the vessel or facility.

1 (2) Taxes imposed by the state under R.S. 47:321 and 331 as applied to
2 materials and supplies purchased by the owner of the vessel or facility where such
3 materials and supplies are loaded upon the vessel or delivered to the facility for use
4 or consumption in the maintenance and operation thereof for commercial fishing and
5 processing ventures. For purposes of this Paragraph, it shall make no difference
6 whether the vessel is engaged in interstate, foreign, or intrastate commerce.

7 (3) Taxes imposed by the state under R.S. 47:321 and 331 as applied to
8 repair services performed upon the vessel or facility. For the purposes of this
9 Paragraph, it shall make no difference whether the vessel is engaged in intrastate,
10 interstate, or foreign commerce.

11 (4) Taxes imposed by the state under R.S. 47:321 and 331 as applied to the
12 purchase of gasoline, diesel fuel, and lubricants for the vessel and to sources of
13 energy and fuels for the facility.

14 * * *

15 §305.25. Exclusions and exemptions; farm equipment

16 A. The tax imposed by ~~R.S. 47:302(A)~~, R.S. 47:321(A), and 331(A) with
17 respect to the sale and use of farm equipment shall apply only to that portion of the
18 sale price in excess of fifty thousand dollars for each item of farm equipment. The
19 purchaser or his representative shall provide on any exemption certificate required
20 for this exemption a certification that the purchaser is a farmer or is purchasing for
21 an agricultural facility. The department shall hold the purchaser responsible for any
22 taxes due. For the purpose of this Section, "farm equipment" includes the following:

23 * * *

24 §305.26. Exclusions and exemptions; new vehicles furnished by dealers for driver
25 education purposes

26 Solely for purposes of the sales or use tax levied by the state under R.S.
27 47:321 and 331, such tax shall not be due on vehicles furnished by a dealer in new
28 vehicles when withdrawn from inventory and furnished to a secondary school,
29 college, or public school board on a free loan basis for exclusive use in a driver

1 education program licensed by the Department of Public Safety and Corrections,
2 public safety services.

3 * * *

4 §305.28. Exclusions and exemptions; gasohol

5 A. The sales or use taxes imposed by the state of Louisiana under R.S.
6 47:321 and 331 or any such taxes imposed by any parish or municipality or other
7 local entity within the state shall not apply to the sale at retail, the use, the
8 consumption, the distribution, and the storage, to be used or consumed in this state,
9 of any motor fuel known as gasohol, containing a blend of at least ten percent
10 alcohol, if the alcohol therein has been produced, fermented, and distilled in
11 Louisiana from agricultural commodities. Alcohol to be used in gasohol must have
12 been rendered unsuitable for human consumption at the time of its manufacture or
13 immediately thereafter.

14 * * *

15 §305.33. Exclusions and exemptions; nonprofit retirement centers

16 The sales and use taxes imposed by the state of Louisiana under R.S. 47:321
17 and 331 shall not apply to purchases of materials for the construction of and supplies
18 for the operation of any not-for-profit retirement center owned or operated by any
19 public trust authority or duly incorporated not-for-profit corporation. A retirement
20 center for purposes of this Section is defined as any multipurpose facility which
21 houses as a permanent residence senior citizens who are sixty-two years of age or
22 older, which provides housing for the elderly, and which provides intermediate
23 health care.

24 * * *

25 §305.37. Exclusions and exemptions; diesel fuel, butane, propane, or other liquefied
26 petroleum gases used for farm purposes

27 A. The state taxes imposed by ~~R.S. 47:302(A)~~, R.S. 47:321(A); and R.S.
28 47:331(A) shall not apply to diesel fuel, butane, propane, or other liquefied
29 petroleum gases used or consumed for farm purposes. The secretary of the

1 Department of Revenue shall adopt and promulgate rules and regulations necessary
2 to effectuate the exemptions granted by this Section.

3 * * *

4 §305.40. Exclusions and exemptions; purchases of Mardi Gras specialty items

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

9 * * *

10 §305.41. Exclusions and exemptions; Ducks Unlimited; Bass Life

11 The sales and use tax imposed by the state of Louisiana under R.S. 47:321
12 and 331 or any of its local governmental subdivisions or school boards shall not
13 apply to either the sales of Ducks Unlimited or Bass Life or any of their chapters or
14 any rental or purchase of property or services by Ducks Unlimited or Bass Life or
15 any of their chapters.

16 §305.42. Exclusions and exemptions; tickets to ballet performances of nonprofit
17 ballet organizations

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

22 §305.43. Exclusions and exemptions; nonprofit organizations dedicated to the
23 conservation of fish or migratory waterfowl; nature of exemption;
24 limitations; qualifications

25 A. The sales and use taxes imposed by ~~R.S. 47:302~~, R.S. 47:321; and R.S.
26 47:331 shall not apply to any sales made by a nonprofit organization dedicated
27 exclusively to the conservation of fish or the migratory waterfowl of the North
28 American Continent and to the preservation and conservation of wetland habitat of
29 such waterfowl, when the entire proceeds, except for the necessary expenses

1 connected therewith, are used in furtherance of the organization's exempt purpose.

2 The exemption provided herein shall not apply to any event intended to yield a profit
3 to the promoter or to any individual contracted to provide services or equipment, or
4 both, for the event.

5 * * *

6 §305.44. Exclusions and exemptions; raw materials used in printing process

7 A. The sales and use taxes imposed by the state under ~~R.S. 47:302~~, R.S.
8 47:321; and R.S. 47:331 and by any political subdivision shall not apply to purchases
9 and sales of the following, including all chemical supplies necessary to produce such
10 items whether manufactured by a printer or purchased from a subcontractor:

11 * * *

12 §305.45. Exclusions and exemptions; per diem or car hire on freight cars,
13 piggy-back cars, and rolling stock

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

17 * * *

18 §305.47. Exclusions and exemptions; pharmaceutical samples distributed without
19 charge

20 The sales and use tax imposed by the state of Louisiana under R.S. 47:321
21 and 331 or any sales and use tax imposed by any of its political subdivisions shall not
22 apply to pharmaceutical samples approved by the United States Food and Drug
23 Administration which are manufactured in the state or imported into the state for
24 distribution without charge to physicians, dentists, clinics, or hospitals.

25 * * *

26 §305.49. Catalog distribution; exemption

27 Notwithstanding any provision of law to the contrary, no sales or use tax shall
28 be imposed by the state ~~or~~ under R.S. 47:321 and 331 or by any political subdivision

1 on the value of catalogs distributed, or intended for distribution in the state, without
2 charge to the recipient.

3 §305.50. Exemption; vehicles used in interstate commerce; rail rolling stock;
4 railroad ties

5 A.(1) The sales and use tax imposed by the state of Louisiana ~~or~~ under R.S.
6 47:321 and 331 ~~or by any of its local political subdivisions~~ shall not apply to trucks
7 with a gross weight of twenty-six thousand pounds or more and to trailers if such
8 trucks and trailers are used at least eighty percent of the time in interstate commerce
9 and whose activities are subject to the jurisdiction of the United States Department
10 of Transportation. The determination of whether a truck is used at least eighty
11 percent of the time in interstate commerce shall be based solely on the actual mileage
12 of such truck; however, no truck shall have more than twenty percent Louisiana
13 intrastate miles.

14 (2)(a) The sales and use tax imposed by the state ~~or~~ under R.S. 47:321 and
15 331 ~~or by any of its political subdivisions~~ shall not apply to the purchase, use, or
16 lease of a qualifying truck or to the purchase, use, or lease of a qualifying trailer
17 purchased, imported, or leased, with or without a qualifying truck, for use with a
18 qualifying truck.

19 * * *

20 B. The sales and use tax imposed by the state of Louisiana ~~or~~ under R.S.
21 47:321 and 331 ~~or by any of its local political subdivisions~~ shall not apply to contract
22 carrier buses if such buses are used at least eighty percent of the time in interstate
23 commerce.

24 * * *

25 E.(1) The sales and use tax imposed by the state of Louisiana under R.S.
26 47:321 and 331 ~~or any of its local political subdivisions or statewide taxing~~
27 ~~authorities~~ shall not apply to rail rolling stock sold or leased in this state.

28 (2) The sales and use tax imposed by the state of Louisiana ~~or statewide~~
29 ~~taxing authorities~~ under R.S. 47:321 and 331 shall not apply to parts or services used

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1 in the fabrication, modification, or repair of rail rolling stock. A political subdivision
2 may, by ordinance, provide that sales and use tax imposed by the political
3 subdivision shall not apply to parts or service used in the fabrication, modification,
4 or repair of rail rolling stock.

5 F. The sales and use tax imposed by the state, ~~its statewide taxing authorities,~~
6 under R.S. 47:321 and 331 or any of its political subdivisions shall not apply to the
7 "sales price" or "cost price" of railroad ties that a railroad purchases prior to long-
8 term preservative treatment and installs into the railroad's track system outside the
9 taxing jurisdiction of the respective taxing authority, whether it be the state, a
10 statewide taxing authority, or a political subdivision.

11 §305.51. Exemption; utilities used by steelworks and blast furnaces

12 A. The sales and use tax imposed by the state of Louisiana ~~or~~ under R.S.
13 47:321 and 331 or by any of its political subdivisions shall not apply to sales or
14 purchases of utilities used by steelworks, blast furnaces, coke ovens, or rolling mills
15 with more than one hundred twenty-five full-time employees, which are classified
16 by the Louisiana Workforce Commission within Sector 331111 of the North
17 American Industry Classification System as it existed in 2002. However, this
18 exemption shall not apply to utilities used in and around the production of coke in
19 oil refineries and the use of coke in oil refineries and other chemical processes.

20 * * *

21 §305.54. Exemption; Annual Louisiana Sales Tax Holidays Act

22 * * *

23 B.(1) Notwithstanding any other provisions of law to the contrary, the sales
24 tax levied by the state of Louisiana under R.S. 47:321 and 331 and its political
25 subdivisions whose boundaries are coterminous with those of the state shall not
26 apply to the first two thousand five hundred dollars of the sales price or cost price
27 of any consumer purchases of tangible personal property that occur on the first
28 consecutive Friday and Saturday of August each year.

29 * * *

1 §305.57. Exemptions; sale of art work

2 A. The sales and use taxes imposed by the state of Louisiana ~~or~~ under R.S.
3 47:321 and 331 or by any of its political subdivisions shall not apply to the sale of
4 original, one-of-a-kind works of art from an established location within the
5 boundaries of a cultural product district.

6 * * *

7 §305.58. Exemption; annual sales tax holiday; hurricane-preparedness items or
8 supplies; dates; restrictions

9 A.(1) Notwithstanding any other provision of law to the contrary, the sales
10 and use tax levied by the state of Louisiana under R.S. 47:321 and 331 shall not
11 apply to the first one thousand five hundred dollars of the sales price of purchases
12 of hurricane-preparedness items or supplies as defined in this Subsection that occur
13 during an eligible tax exemption period.

14 * * *

15 §305.59. Exemption; charitable residential construction

16 The sales and use tax imposed by the state of Louisiana ~~and~~ under R.S.
17 47:321 and 331 and by all of its tax authorities shall not apply to the sale of
18 construction materials to Habitat for Humanity affiliates, Fuller Center for Housing
19 covenant partners located in this state, or the Make it Right Foundation when such
20 materials are intended for use in constructing new residential dwellings in this state.

21 * * *

22 §305.61. Exemption; certain water conservation equipment; Sparta Groundwater
23 Conservation District

24 A. The sales and use tax imposed by ~~all tax authorities in the state~~ under R.S.
25 47:321 and 331 shall not apply to sales of water conservation equipment for use
26 within the Sparta Groundwater Conservation District. Only persons defined as
27 "users" under R.S. 38:3087.133(7) shall be eligible for this exemption.

28 * * *

1 §305.62. Exemption; Annual Louisiana Second Amendment Weekend Holiday

2 * * *

3 B.(1) Notwithstanding any other provisions of law to the contrary, the sales
4 and use tax levied by the state of Louisiana ~~and~~ under R.S. 47:321 and 331 and the
5 sales and use taxes levied by its political subdivisions shall not apply to the sales
6 price or cost price of any consumer purchases of firearms, ammunition, and hunting
7 supplies that occur each calendar year on the first consecutive Friday through Sunday
8 of September.

9 * * *

10 §305.63. Exemption; commercial farm irrigation equipment

11 The sales and use tax imposed by the state of Louisiana ~~and~~ under R.S.
12 47:321 and 331 and the sales and use taxes imposed by its political subdivisions
13 whose boundaries are coterminous with those of the state shall not apply to the sale
14 of polyroll tubing sold or used for commercial farm irrigation.

15 §305.64. Exemption; qualifying radiation therapy treatment centers

16 A.(1) The sales and use tax imposed by the state of Louisiana under R.S.
17 47:321 and 331 shall not apply to the amount paid by qualifying radiation therapy
18 treatment centers for the purchase, lease, or repair of capital equipment and the
19 purchase, lease, or repair of software used to operate capital equipment. Any
20 political subdivision of this state, including parishes and municipalities, may elect
21 to grant a sales and use tax exemption for the amount paid by qualifying radiation
22 therapy treatment centers for the purchase, lease, or repair of capital equipment and
23 the purchase, lease, or repair of software used to operate capital equipment.

24 * * *

25 §305.65. Exemption; charitable residential construction, rehabilitation, and
26 renovation; limitation

27 A. The sales and use tax imposed by the state of Louisiana ~~and~~ under R.S.
28 47:321 and 331 and the sales and use taxes imposed by all of its tax authorities shall
29 not apply to the sale of construction materials to Hands on New Orleans and

1 Rebuilding Together New Orleans covenant partners located in this state when such
2 materials are intended for use in either constructing, rehabilitating, or renovating
3 residential dwellings in this state which were destroyed or damaged by Hurricane
4 Katrina or Hurricane Rita.

5 * * *

6 §305.66. Exemption; parish councils on aging

7 A. The sales and use tax imposed by the state of Louisiana under R.S. 47:321
8 and 331 shall not apply to parish councils on aging located in this state.

9 * * *

10 §305.67. Exemption; breastfeeding items

11 The sales and use tax imposed by the state of Louisiana under R.S. 47:321
12 and 331 shall not apply to the purchase of breastfeeding items. For purposes of this
13 Section, breastfeeding items shall include breastpumps and accessories, replacement
14 parts, storage bags and accessories, and nursing bras.

15 §305.68. Exemption; Fore!Kids Foundation

16 The sales and use tax imposed by the state of Louisiana ~~or~~ under R.S. 47:321
17 and 331 or by any political subdivisions shall not apply to the purchase, use, or rental
18 of materials, services, property, and supplies, by the Fore!Kids Foundation, whose
19 primary purpose is to fund children's service organizations from monies raised from
20 golfing events.

21 * * *

22 §305.70. Exemption; "Make It Right Foundation"

23 The sales and use tax imposed by the state of Louisiana ~~or~~ under R.S. 47:321
24 and 331 or by any political subdivision shall not apply to the sale of construction
25 materials to the "Make It Right Foundation" when such materials are intended for
26 use in constructing new residential dwellings in this state.

27 §305.71. Exemption; St. Bernard Project, Inc.

28 The sales and use tax imposed by the state of Louisiana ~~or~~ under R.S. 47:321
29 and 331 or by any political subdivision as defined in R.S. 47:337.6 shall not apply

1 to the sale of construction materials to the St. Bernard Project, Inc. when such
2 materials are intended for use in rehabilitating existing residential dwellings or
3 constructing new residential dwellings in this state.

4 * * *

5 §318. Disposition of collections

6 A. All monies collected under this Chapter shall be immediately paid into
7 the state treasury, upon receipt, and first credited to the Bond Security and
8 Redemption Fund as provided in Article VII, Section 9(B) of the Constitution of
9 Louisiana; then an amount equal to four-tenths of one percent of all monies collected
10 under ~~this Chapter, and Chapters 2-A and Chapter 2-B~~ of this Subtitle, and R.S.
11 51:1286 shall be used as provided in this Section.

12 * * *

13 §321. Imposition of tax

14 * * *

15 H.(1) Notwithstanding any other provision of law to the contrary, including
16 but not limited to any contrary provisions of this Chapter, the exemptions to the tax
17 levied pursuant to the provisions of this Section, except for those exemptions
18 provided by R.S. 39:467 and 468, R.S. 47:305(A)(1), (B), (D)(1)(f), (j), (k), (l), (m),
19 (s), and (t), and (G), 305.1, 305.2, 305.3, 305.8, 305.10, 305.14, 305.15, 305.20,
20 305.25(A)(1) and (2), 305.37, 305.38, 305.46, and 305.50, and R.S. 51:1787, shall
21 be inapplicable, inoperable, and of no effect from July 1, 2002, through March 31,
22 2016. Beginning April 1, 2016, the applicability and effectiveness of this exemption
23 shall be governed by the law establishing the exemption.

24 * * *

25 (2) Notwithstanding any other provision of law to the contrary, including but
26 not limited to any contrary provisions of this Chapter, the exemption provided for
27 in R.S. 47:305(A)(2) and 305.25(A)(3) shall be applicable, operable, and effective
28 from July 1, 2007, through March 30, 2016. Beginning April 1, 2016, the

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

3 (3) Notwithstanding any other provision of the law or any other provision
4 of this Chapter to the contrary, the exemption provided in R.S. 47:305(D)(1)(i) for
5 new boats, vessels, or other water craft used as demonstrators shall be applicable,
6 operable, and effective for all taxable periods beginning on or after July 1, 2009,
7 through March 30, 2016. Beginning April 1, 2016, the applicability and
8 effectiveness of this exemption shall be governed by the law establishing the
9 exemption.

10 (4) Notwithstanding any other provision of law to the contrary, including but
11 not limited to any contrary provisions of this Chapter, the exemption provided for
12 in R.S. 47:305.63 shall be applicable, operable, and effective from July 1, 2009,
13 through March 30, 2016. Beginning April 1, 2016, the applicability and
14 effectiveness of this exemption shall be governed by the law establishing the
15 exemption.

16 (5) Notwithstanding any other provision of law to the contrary, including but
17 not limited to any contrary provisions of this Chapter, the exemption provided for
18 in R.S. 47:305.64 shall be applicable, operable, and effective from July 1, 2009,
19 through March 30, 2016. Beginning April 1, 2016, the applicability and
20 effectiveness of this exemption shall be governed by the law establishing the
21 exemption.

22 (6) Notwithstanding any other provision of law to the contrary which makes
23 any sales and use tax exemption inapplicable, inoperable, and of no effect, the
24 exemption provided in R.S. 47:305(D)(2) shall be applicable, operable, and effective
25 from January 1, 1998, through March 30, 2016. Beginning April 1, 2016, the
26 applicability and effectiveness of this exemption shall be governed by the law
27 establishing the exemption.

28 I. Notwithstanding any other provision of law to the contrary and specifically
29 notwithstanding any provision enacted during the 2004 First Extraordinary Session

1 which makes any sales and use tax exemption inapplicable, inoperable, and of no
 2 effect, the exemption provided in R.S. 47:305.51 shall be applicable, operable, and
 3 effective for all taxable periods beginning on or after July 1, 2007, through March
 4 30, 2016. Beginning April 1, 2016, the applicability and effectiveness of this
 5 exemption shall be governed by the law establishing the exemption.

6 J. Notwithstanding any other provision of law to the contrary and
 7 specifically notwithstanding any provision enacted to make any sales and use tax
 8 exemption inapplicable, inoperable, and of no effect, the exemption provided in R.S.
 9 47:305(A)(5)(b) shall be applicable, operable, and effective from July 1, 2009,
 10 through March 30, 2016. Beginning April 1, 2016, the applicability and
 11 effectiveness of this exemption shall be governed by the law establishing the
 12 exemption.

13 K. Notwithstanding the provisions of Subsection H of this Section or any
 14 other provision of this Chapter to the contrary, for taxable periods beginning on or
 15 after July 1, 2008, the exemptions to the tax levied by this Section for electric power
 16 or energy, natural gas, steam, and water shall be applicable, operative, and effective,
 17 through March 30, 2016. Beginning April 1, 2016, the applicability and
 18 effectiveness of these exemptions shall be governed by the law establishing the
 19 exemption.

20 * * *

21 §331. Imposition of tax

22 * * *

23 P.

24 * * *

25 (3) Notwithstanding any other provision of law to the contrary, including but
 26 not limited to any contrary provisions of this Chapter, the exemption provided for
 27 in R.S. 47:305(A)(2) and 305.25(A)(3) shall be applicable, operable, and effective
 28 from July 1, 2007, through March 30, 2016. Beginning April 1, 2016, the

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are additions.

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

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

9 Q. Notwithstanding any other provision of law to the contrary and
10 specifically notwithstanding any provision enacted during the 2004 First
11 Extraordinary Session which makes any sales and use tax exemption inapplicable,
12 inoperable, and of no effect, the exemption provided in R.S. 47:305.51 shall be
13 applicable, operable, and effective for all taxable periods beginning on or after July
14 1, 2007, through March 30, 2016. Beginning April 1, 2016, the applicability and
15 effectiveness of this exemption shall be governed by the law establishing the
16 exemption.

17 R. Notwithstanding any other provision of law to the contrary and
18 specifically notwithstanding any provision which is enacted to make any sales and
19 use tax exemption inapplicable, inoperable, and of no effect, the exemption provided
20 in R.S. 47:305(A)(5)(b) shall be applicable, operable, and effective from July 1,
21 2009, through March 30, 2016. Beginning April 1, 2016, the applicability and
22 effectiveness of these exemptions shall be governed by the law establishing the
23 exemption.

24 * * *

25 §6001. Antique airplanes and certain other aircraft

26 A. No tax imposed by the state under R.S. 47:321 and 331 or by any parish,
27 municipality, school board, or any political subdivision of the state shall be imposed
28 on antique airplanes which are maintained by private collectors and not used for
29 commercial purposes, and no personal property tax shall be imposed on any aircraft

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

1 weighing less than six thousand pounds which is owned by a private individual and
2 not used for commercial or profit making purposes. The exemption from local taxes
3 contained in this Section is granted notwithstanding the provisions of R.S. 47:302,
4 and such exemption shall apply to any sales and use tax levied by any local
5 governmental subdivision or school board.

6 * * *

7 Section 8. R.S. 51:1307(C) is hereby amended and reenacted to read as follows:

8 §1307. Refund procedure

9 * * *

10 C. The refund may consist of a credit card refund as provided for in
11 Subsection D of this Section, or of a cash or check payment in any currency deemed
12 appropriate by the commission, without interest to the international traveler, of the
13 ~~total sales tax of the state~~ sales tax imposed by the state under R.S. 47:321 and 331
14 and of any participating local tax authority paid by the international traveler as
15 reflected on the invoices or receipts and as verified by the refund form, less the
16 handling fee charged. The international traveler's copy of the refund form will be
17 kept by the refund agent. The invoices or receipts which were attached to the refund
18 form shall be returned to the international traveler, stamped "Sales Tax Refunded".

19 * * *

20 Section 9. Section 4 of Act No. 386 of the 1990 Regular Session of the Legislature
21 are hereby repealed in their entirety.

22 Section 10. This Act shall take effect and become operative if and when the Acts
23 which originated as House Bill No. ____ and House Bill No. ____ of the 2016 Regular
24 Session of the Legislature are enacted and become effective and if the statutory language of
25 such bills is identical to the engrossed version of House Bill No. 211 and House Bill No.
26 495, respectively, of the 2015 Regular Session.

 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 117 Original

2016 First Extraordinary Session

Ivey

Abstract: Dedicates the avails of the 2% state sales and use tax to the Stability in Higher Education Fund which is established as a special fund in the state treasury, and provides with respect to the base of that tax.

Present law establishes a dedication for economic development activities of an amount equal to 0.004% of all state sales and use tax annual collections that remain after satisfaction of the requirements of the Bond Security and Redemption Fund as required by present constitution. Of that amount, \$2 million is deposited into the Marketing Fund, which is established as a special fund within the state treasury for the support of various specific economic development organizations. All monies in excess of the Marketing Fund allocation are deposited into the La. Economic Development Fund, which is established as a special treasury fund to support a wide variety of economic development activities.

Proposed law changes present law by eliminating the dedication of the avails of the 2% state sales and use tax imposed under Ch. 2 of Subtitle II of Title 47 of the La. Revised Statutes of 1950, as amended, hereinafter the "2% tax". The revenues are instead dedicated to the new Stability in Higher Education fund, established under proposed law.

Proposed law establishes the Stability in Education Fund as a special treasury fund (fund) for purposes of the dedication of the avails of the 2% state sales and use tax.

Proposed law requires that after satisfying the requirements of the Bond Security and Redemption Fund as required by present constitution, the state treasurer shall deposit in and credit to the fund an amount equal to the avails of the 2% tax. The legislature is authorized to appropriate from the fund solely for support of public post-secondary education. Monies in the fund shall be invested in the same manner as the state general fund, and unencumbered and unexpended monies in the fund at the end of a fiscal year shall remain to the credit of the fund.

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.

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.

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":

The first \$50,000 of the sale price of new farm equipment used in poultry production.

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.

A used factory built home, and that portion of the value of a new factory built home which exceeds 46%.

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.

Alternative substances as fuel by a manufacturer.

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 limits the application of the exclusions to the 2% state sales and use taxes.

Present law establishes the following exemptions from state sales and use taxes:

- (1) Animal feed and feed additives for animals kept for business purposes.
- (2) Materials, supplies, equipment, fuel, bait, and related items other than vessels used in the production or harvesting of crawfish.
- (3) Materials, supplies, equipment, fuel, bait, and related items other than vessels used in the production or harvesting of catfish.
- (4) Boiler fuel.
- (5) New trucks, new automobiles, and new aircraft withdrawn from stock by factory authorized new truck, new automobile, new aircraft dealers, and factory-authorized dealers of used trucks and used automobiles withdrawn from stock by new or used motor vehicle dealers, which are withdrawn for use as demonstrators.
- (6) 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.
- (7) 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.
- (8) Admissions to performances by little theaters.
- (9) Admissions to performances by nonprofit musical organizations.
- (10) Amounts paid by the operator of a motion picture theatre to a distributing agency for use of films of photoplay.
- (11) 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.
- (12) Gate admissions to grounds and parking fees at fairs and festivals sponsored by recognized nonprofit organizations chartered under the state of La.
- (13) 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.
- (14) The first \$50,000 of the sales price on certain farm equipment that includes storage for grain and materials for construction of such storage.
- (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) 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.

- (17) 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.
- (18) Admission to ballet performances of nonprofit ballet organizations.
- (19) Sales made by nonprofit organizations dedicated to the conservation of fish or migratory waterfowl.
- (20) Raw materials used in printing processes.
- (21) Rentals of freight cars, piggy-back cars, and rolling.
- (22) Pharmaceutical samples distributed without charge.
- (23) Catalogs.
- (24) All transactions of an offtrack wagering facility.
- (25) All transactions of a private contractor for the construction and operation of a sewerage or wastewater treatment facility for a political subdivision.
- (26) All transactions of a nonprofit electric cooperative.
- (27) Racehorses purchased at a claiming race or other sale.
- (28) Steam, water, electric power, and natural gas, boiler fuel utilized for nonresidential purposes (business utilities).
- (29) Water other than mineral, carbonated, and bottled water.
- (30) Any materials or energy sources used to fuel the generation of electric power for resale or used by an industrial manufacturing plant for self-consumption or cogeneration.
- (31) Fertilizer and containers used for farm products when sold directly to the farmer.
- (32) New boats, vessels, or other water craft withdrawn from stock by factory authorized dealers of new boats, vessels, or other water craft which are withdrawn for use as demonstrators.
- (33) Meals furnished by educational institutions, hospitals, nursing homes, adult continuing care retirement communities, mental institutions, and boarders of rooming houses.
- (34) Labor, materials, services, and supplies for repairing, or converting a drilling rig, if the drilling rig is used in Outer Continental Shelf waters.
- (35) Sales of 50-ton vessels and new component parts and sales of certain materials and services to vessels operating in interstate commerce.
- (36) Regarding ships, barges, or vessels, including drilling ships, operating exclusively in foreign or interstate coastwise commerce:
 - (a) ~~Materials and supplies loaded upon any such ship, barge, or vessel for use or consumption in the maintenance and operation thereof.~~

- (b) Repair services performed upon those vessels, and materials and supplies used therein.
- (c) Laundry services performed for the owners or operators of the vessels.
- (37) Pesticides used for agricultural purposes, including insecticides, herbicides and fungicides.
- (38) Sales, admissions, and parking fees associated with events sponsored by certain nonprofit or religious organizations when the entire proceeds, except for necessary expenses used for educational, charitable, religious, or historical restoration purposes, including the furtherance of the purpose of the organization.
- (39) Newspapers published in La. by religious organizations.
- (40) 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.
- (41) Installation and service of cable television equipment fees paid by a subscriber.
- (42) Use of coin-operated washing or drying machines in a commercial laundromat.
- (43) Purchases of materials, supplies, fuel, and repairs for the vessel of a qualified commercial fisherman.
- (44) Purchases of materials, supplies, and repair services by certain seafood-processing facilities.
- (45) The first \$50,000 of the sales price on qualifying irrigation farm equipment.
- (46) 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.
- (47) Gasahol.
- (48) Diesel fuel, butane, propane, or other liquefied petroleum gases used or consumed for farm purposes.
- (49) Purchases or sales of specialty items for use in connection with Mardi Gras activities.
- (50) 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.
- (51) Purchase of certain contract carrier buses used 80% of the time in interstate commerce.
- (52) Rail rolling stock sold or leased in Louisiana.
- (53) Parts or services used in the fabrication, modification, or repair of rail rolling stock.
- (54) Railroad ties to be modified for installation at a location outside of the taxing jurisdiction.
- (55) Utilities, including electricity, used by steelworks and blast furnaces.

- (56) Purchases of certain items of tangible personal property, made on the first consecutive Friday and Saturday of August each year.
- (57) Sale of original, one-of-a-kind art from an established location within the boundaries of a cultural product district.
- (58) 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.
- (59) Purchases of construction supplies by Habitat for Humanity affiliates, Fuller Center for Housing covenant partners, and the Make it Right Foundation.
- (60) Purchase of certain water conservation equipment for use within the Sparta Groundwater Conservation District.
- (61) Purchases of firearms, ammunition, and hunting supplies for the first consecutive Friday through Sunday of September.
- (62) Purchases of polyroll tubing used for commercial farm irrigation.
- (63) Purchase, lease, or repair of capital equipment or software used to operate capital equipment at qualifying radiation therapy centers.
- (64) 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.
- (65) Parish councils on aging.
- (66) Breastfeeding items.
- (67) Purchase, use, or rental of materials, services, property, and supplies by the Fore!Kids Foundation.
- (68) Purchase of certain construction supplies by the Make it Right Foundation.
- (69) Purchase of certain construction supplies by the St. Bernard Project, Inc.
- (70) Antique airplanes and certain other aircraft.

Proposed law limits the applicability of the exemptions provided in present law to a 2% state sales and use tax rate (R.S. 47:321 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 limits the refund provided in present law to the 2% state sales and use tax rate (R.S. 47:321 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 2% state sales and use tax rate (R.S. 47:321 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 2% state sales and use tax rate (R.S. 47:321 and 331).

Effective if and when House Bill No. ____ and House Bill No. ____ of this 2016 R.S. are enacted and become effective and if the statutory language of such bills is identical to the engrossed version of House Bill No. 211 and House Bill No. 495, respectively, of the 2015 R.S.

(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(A)(2), (4)(a), (5) and (6), (D)(1)(b) through (d), (f) through (i), and (u), (2)(a)(introductory paragraph), (F), and (I), 305.1(A) and (B), 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)(introductory paragraph), 305.26, 305.28(A), 305.33, 305.37(A), 305.40(A)(introductory paragraph), 305.41, 305.42, 305.43(A), 305.44(A), 305.45(A)(introductory paragraph), 305.47, 305.49, 305.50(A)(1) and (2)(a), (B), (E), and (F), 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), 305.66(A), 305.67, 305.68, 305.70, 305.71, 318(A), 321(H), (I), (J), and (K), 331(P)(3) and (4), (Q) and (R), and 6001(A), and R.S. 51:1307(C); Adds R.S. 39:100.147; Repeals §4 of Act No. 386 of 1990 R.S.)