

Regular Session, 2011

HOUSE BILL NO. 247

BY REPRESENTATIVE HENRY

TAX/SALES & USE: Excludes from state and local sales and use tax the sales of tangible personal property and services sold by the sponsor at events sponsored by certain nonprofit organizations

1 AN ACT

2 To amend and reenact R.S. 47:305.14(A)(1) and to enact R.S. 47:301(10)(hh) and (14)(k),  
3 relative to sales and use tax imposed by the state and certain other political  
4 subdivisions; to exclude certain sales of tangible personal property and services sold  
5 at certain events sponsored by a tax exempt nonprofit organization; to exclude  
6 certain sales of tangible personal property and services sold at certain events  
7 sponsored by a tax exempt nonprofit organization when the organization has  
8 contracted for certain services associated with the event; to provide an effective date;  
9 and to provide for related matters.

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 47:305.14(A)(1) is hereby amended and reenacted and R.S.  
12 47:301(10)(hh) and (14)(k) are hereby enacted and to read as follows:

13 §301. Definitions

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

17 \* \* \*

18 (10)

19 \* \* \*

20 (hh) For purposes of sales and use tax imposed by the state, any political  
21 subdivision whose boundaries are coterminous with those of the state, or any other



1 §305.14. Exclusions and exemptions; nonprofit organizations; nature of exemption;  
2 limitations; qualifications; newspapers; determination of tax exempt status

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

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



House Floor Amendments to the engrossed bill.

1. Added the requirement that an event must be one that transpires over seven days and has a five-year annual average attendance of at least 300,000.