

ACT No. 107

2015 Regular Session

HOUSE BILL NO. 336

BY REPRESENTATIVE CONNICK

1 AN ACT

2 To enact R.S. 47:303(B)(8), relative to state sales and use tax; to provide for the collection
3 of state sales and use tax on vehicles acquired by certain foreign business entities;
4 to provide for an effective date; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 47:303(B)(8) is hereby enacted to read as follows:

7 §303. Collection

8 * * *

9 B. Collection of tax on vehicles. The tax imposed by R.S. 47:302(A) on the
10 sale or use of any motor vehicle, automobile, motorcycle, truck, truck-tractor, trailer,
11 semi-trailer, motor bus, house trailer, or any other vehicle subject to the vehicle
12 registration license tax shall be collected as provided in this Subsection.

13 * * *

14 (8) When a foreign corporation, foreign limited liability company, foreign
15 limited partnership, or foreign partnership acquires a vehicle on which the tax
16 imposed by R.S. 47:302(A) would have been due had the vehicle been acquired by
17 a business entity organized under the laws of this state, the department may collect
18 the tax from the foreign business entity if the department determines that the purpose
19 of the foreign business entity was tax avoidance after considering all of the
20 following:

21 (a) Whether there is a specific business purpose for the foreign business
22 entity to acquire the vehicle other than the avoidance of the tax imposed by R.S.
23 47:302(A).

24 (b) Whether the users of the vehicle compensate the foreign business entity
25 reasonably for the use of the vehicle.

