

2015 Regular Session

HOUSE BILL NO. 434

BY REPRESENTATIVE JAMES

TAX/SALES & USE: Suspends a certain portion of the sales and use tax exemption for nonresidential utilities

1 AN ACT

2 To enact R.S. 47:321(L) and 331(S), relative to sales and use tax; to provide for the
3 effectiveness and applicability of the exemptions for electric power or energy,
4 natural gas, water, and steam; to provide for an effective date; and to provide for
5 related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:321(L) and 331(S) are hereby enacted to read as follows:

8 §321. Imposition of tax

9 * * *

10 L. Notwithstanding any other provision of law to the contrary, the
11 exemptions to the tax levied by this Section for sales of steam, water, electric power
12 or energy, and natural gas shall be inapplicable, inoperable, and of no effect for all
13 taxable years beginning on or after July 1, 2015.

14 * * *

15 §331. Imposition of tax

16 * * *

17 S. Notwithstanding any other provision of law to the contrary, the
18 exemptions to the tax levied by this Section for sales of steam, water, electric power
19 or energy, and natural gas shall be inapplicable, inoperable, and of no effect for all
20 taxable years beginning on or after July 1, 2015.

1 Section 2. This Act shall become effective on July 1, 2015; if vetoed by the governor
2 and subsequently approved by the legislature, this Act shall become effective on July 1,
3 2015, or on the day following such approval by the legislature, whichever is later.

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 434 Original

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James

Abstract: Beginning July 1, 2015, the state sales tax exemption for sales of steam, water, electric power, or energy as to the 1% state sales and use tax and the 0.97% state sales and use tax levy shall be inapplicable, inoperable, and of no effect, resulting in the imposition of these taxes on the sales of such items.

Present law authorizes the levy of a 1% and a .97% state tax upon the sale at retail, the use, the consumption, the distribution, and the storage for use or consumption in this state of each item or article of tangible personal property.

Present law exempts sales of electric power or energy, natural gas, steam, and water from imposition of these taxes.

Proposed law renders the exemptions provided in present law inapplicable, inoperable, and of no effect for all taxable years beginning on or after July 1, 2015.

Effective July 1, 2015, and for all taxable years after July 1, 2015.

(Adds R.S. 47:321(L) and 331(S))