

2021 Regular Session

HOUSE BILL NO. 444

BY REPRESENTATIVE BISHOP

TAX: Provides for the termination of certain tax exemptions, exclusions, credits, deductions, and other tax incentives

1 AN ACT

2 To amend and reenact R.S. 3:84 and 147, R.S. 4:168 and 227, R.S. 22:2065, R.S.

3 33:4169(D), R.S. 47:182, 223, 301(1), (16)(a) and (b), 302.1(A), 337.6, 337.9(A),

4 (B), (C)(1), through (9), (11) through (18) and (21) through (26), and (D)(1) through

5 (14), (16) through (27), (29), and (31) through (34), 337.10(A)(introductory

6 paragraph), (E), (G), (I)(1), (M), (N), and (P), 337.11(introductory paragraph),(1),

7 (2), and (12), 337.15(B)(2), 6001(A), 6007(I), 6019(A)(1)(a), 6020(H), 6034(K) and

8 9052(E), and R.S. 51:1787(L) and 1924(A), to enact R.S. 39:467(I) and 468(I), R.S.

9 47:305.25(D), 305.37(C), 305.54(H), 305.58(G), 305.62(G), 3204(M), and 4302(E),

10 and R.S. 51:2399.3(C), and to repeal R.S. 6:662, R.S. 12:302(L), R.S.

11 17:3095(A)(1)(b) and (c), 3098(E) and 3389, R.S. 25:1226 through 1226.6, R.S.

12 26:421, R.S. 47:8, 11, 12, 33(A)(7), 34, 35, 37, 44, 44.2, 48 through 51, 53 through

13 71, 79, 111(A)(11), 121, 158, 183, 224(C), 226(C), 246, 265, 287.71(B)(2), (6), and

14 (8), 287.73(C), 287.82 , 287.86, 287.501(B), 287.521, 287.526, 287.664,

15 287.732(B) and (C), 287.732.2, 287.738(F) and (G), 287.743, 287.745, 287.748,

16 287.749, 287.752, 287.753, 287.755, 287.756, 287.758, 287.759, 293(2)(a), (3), (5),

17 (7), (9)(a)(vi), (x), and (xvii), and (11), 294(B), 297(A) through (D) and (H) through

18 (P), 297.1 through 297.4, 297.6 through 297.14, 300.6(B)(2)(b) and (d), 300.7

19 (C)(2), 301(3)(a) through (c), (e),(g) through (k), (4)(i), and (k), (6)(b) and (c), (7)(b)

20 through (h) and (j) through (l), (8)(b) and (d) through (f), (10)(a), (b), (c)(i)(aa)(II)

1 and (bb) and (ii), (d), (e), (h) through (s), (v), and (w) through (hh), (13)(a) through
2 (c) and (e) through (m), (14)(b)(i)(bb), (ii) through (iv), (g)(iii) and (iv), (h), (j) and
3 (k),(16)(c),(e) through (p), (18)(a), (c), (d)(ii) and (e) through (p), and (28),
4 301.1(B)(2) and (D), 302(D), 305(A)(1) through (C), (D)(1)(a) through (i), (k)
5 through (m), (s), and (t), and (2) through (6), and (F) through (I), 305.1 through
6 305.9, 305.13 through 305.24, 305.26, 305.28, 305.33, 305.36, 305.38, 305.40,
7 305.45, 305.47, 305.49 through 305.53, 305.57, 305.59 through 305.61, 305.63,
8 305.65 through 305.71, 305.74, 337.9(C)(19) and (20) and (D)(28), 337.10.2, 602(B)
9 through (H), 608, 633(7)(b) through (d), (9)(b), (c), (d)(v), and (e), 633.5, 648.21,
10 713, 716.1, 818.14(A)(3), 855, 6003, 6005 through 6006.1, 6008 through 6018, 6021
11 through 6023, 6025 through 6032, 6036, 6037, 6040, 6104 through 6107, and 6301
12 and R.S. 51:1801 through 1808, 2351 through 2356, and 3081 through 3094, relative
13 to taxation; to terminate certain individual, corporation, and fiduciary income tax
14 exemptions, exclusions, reductions, deductions, and credits; to terminate certain
15 corporation franchise tax exemptions, deductions, and credits; to terminate the
16 tobacco tax exemption for sales to state institutions; to terminate the tax exemption
17 for alcohol used for antiseptic, scientific, religious, and chemical uses; to terminate
18 certain severance tax suspensions, special rates, and deductions; to terminate certain
19 state sales and use tax exclusions and exemptions; to terminate certain petroleum
20 product tax exemptions; to provide for definitions; to provide for definitions
21 applicable to certain local sales and use taxes; to provide with respect to sales and
22 use taxes on certain sales of tangible personal property; to provide with respect to
23 sales and use taxes on motor vehicles; to provides with respect to sales and use taxes
24 on manufacturing an machinery equipment; to provide with respect to sales and use
25 taxes on certain residential and business utilities; to provide with respect to sales and
26 use taxes on certain educational materials; to provide with respect to sales and use
27 taxes on certain oilfield property; to provide with respect to sales and use taxes on
28 certain transactions involving airplanes or airplane equipment; to provide with
29 respect to sales and use taxes on certain natural gas and diesel purchases; to provide

1 with respect to sales and use taxes on purchases by certain nonprofit entities; to
2 provide with respect to sales and use taxes on sales of marijuana recommended for
3 therapeutic use; to provide with respect to sales and use taxes on agricultural
4 equipment, goods, and commodities; to provide with respect to sales and use taxes
5 on pollution control devices; to provide with respect to sales and use taxes on
6 purchases by volunteer and public fire departments; to provide with respect to sales
7 and use taxes on property sold to food banks; to provide with respect to sales and use
8 taxes on sales of food items by certain youth organizations; to provide with respect
9 to certain sales and use taxes on certain telecommunications; to provide with respect
10 to certain sales and use taxes on toys to be donated; to provide with respect to certain
11 sales and use taxes on storm shutter devices; to provide with respect to sales and use
12 taxes at certain Louisiana heritage and culture events; to provide with respect to sales
13 and use taxes on items sold to nonprofit carnival organizations; to provide with
14 respect to sales and use taxes on admissions to certain events; to provide with respect
15 to sales and use taxes on certain membership dues; to provide with respect to sales
16 and use taxes on admission to certain places of amusement; to provide with respect
17 to sales and use taxes on certain repairs; to provide with respect to sales and use
18 taxes on certain metals and coins; to provide with respect to sales and use taxes on
19 work product of certain professionals; to provide with respect to sales and use taxes
20 on certain pharmaceuticals; to provide with respect to sales and use taxes on
21 computer software; to provide with respect to sales and use taxes on materials used
22 in the medical industry; to provide with respect to sales and use taxes on purchases
23 by motor vehicle manufacturers; to provide with respect to sales and use taxes on
24 sales of newspapers; to provide with respect to sales and use taxes on sales of
25 advertising services; to provide with respect to sales and use taxes at certain state-
26 owned facilities; to provide with respect to sales and use taxes on boats, vessels, and
27 other water craft used as demonstrators; to provide with respect to certain livestock
28 and racehorses; to provide with respect to sales and use taxes on feed and feed
29 additives; to provide with respect to sales and use taxes on materials use for

1 production or harvesting of certain seafood; to provide with respect to sales and use
2 taxes on certain medical devices; to provide with respect to sales and use taxes on
3 fertilizers and containers; to provide with respect to sales and use taxes on sales of
4 trucks, automobiles, and aircraft used as demonstrators; to provide with respect to
5 sales and use taxes on purchases of certain admission tickets to dances, dramas,
6 theater or other performance; to provide with respect to sales and use taxes on
7 purchases and sales of Ducks Unlimited and Bass Life; to provide with respect to
8 sales and use taxes on certain railroad equipment and track; to provide with respect
9 to sales and use taxes on certain trucks and trailers; to provide with respect to sales
10 and use taxes on purchases of certain water conservation equipment; to provide with
11 respect to sales and use taxes on certain capital equipment of qualifying radiation
12 therapy treatment centers; to provide with respect to sales and use taxes on purchases
13 to parish councils on aging; to provide with respect to sales and use taxes on
14 purchases of certain construction materials used by certain nonprofit and charitable
15 organizations; to provide with respect to qualified new recycling manufacturing or
16 process equipment and service tax exemption contracts; to provide with respect to
17 tax credits for local inventory taxes paid; to provide with respect or to tax credits for
18 taxes paid related to vessels in Outer Continental Shelf Lands Act waters; to provide
19 with respect to tax credits for donations made to assist playgrounds in economically
20 depressed areas; to provide with respect to tax credits for donations made to public
21 schools; to provide with respect to tax credits for property taxes paid by certain
22 telephone companies; to provide with respect to tax credits for research and
23 development businesses in Louisiana; to provide with respect to tax credits for
24 businesses established in disadvantaged areas of Louisiana; to provide with respect
25 to tax credits for certain expenses paid by economic development corporations; to
26 provide with respect to tax credits for purchases from prison industry enhancement
27 contractors; to provide with respect to tax credits for the rehabilitation of historic
28 structures; to provide with respect to tax credits for angel investors; to provide with
29 respect to tax credits for businesses producing digital and interactive media products;

1 to provide with respect to tax credits for businesses in the music and sound recording
 2 industry; to provide with respect to tax credits for Louisiana Citizens Property
 3 Insurance Corporation assessment; to provide for tax credits for certain investors in
 4 the Cane River Heritage Area; to provide with respect to tax credits for donations to
 5 certain certified community development corporations; to provide with respect to tax
 6 credits for certain milk producers; to provide with respect to tax credits for musical
 7 and theatrical productions; to provide with respect to tax incentives for urban
 8 revitalization; to provide with respect to tax credits for technology
 9 commercialization and jobs; to provide with respect to tax credits for certain
 10 individuals or businesses that invest in Louisiana Community Development
 11 Financial Institutions; to provide relative to tax credits for donations to certain school
 12 tuition organizations; to provide for effectiveness; and to provide for related matters.

13 Be it enacted by the Legislature of Louisiana:

14 Section 1. R.S. 3:84 and 147 are hereby amended and reenacted to read as follows:

15 §84. License fee and tax liability

16 Each association organized under this Part shall pay an annual license fee of
 17 ten dollars to the secretary of state, and shall be exempt from all ~~franchise or~~ other
 18 license taxes, but not from ad valorem property taxes. The provisions of this Section
 19 shall likewise apply to associations and corporations organized under the laws of the
 20 United States for the sole purpose of extension of credit to farmers and farmers'
 21 co-operative associations.

22 * * *

23 §147. Annual license fees

24 Each association organized hereunder shall pay an annual license fee of ten
 25 dollars, but shall be exempt from all ~~franchise or~~ other license taxes, except upon its
 26 real estate, furniture, and fixtures.

27 * * *

28 Section 2. R.S. 4:168 and 227 are hereby amended and reenacted to read as follows:

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

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

7 * * *

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

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

15 * * *

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

17 §2065. Tax exemption

18 The association shall be exempt from payment of all fees and all taxes levied
19 by this state or any of its subdivisions except taxes levied on real or personal
20 property. The exemption provided for in this Section shall not apply to sales and use
21 taxes levied by the state.

22 * * *

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

24 §4169. Collection contracts for sewerage service charges; access charges;
25 enforcement procedures for delinquent charges

26 * * *

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

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

5 * * *

6 Section 5. R.S. 39:467(I) and 468(I) are hereby enacted to read as follows:

7 §467. Sales of services and tangible personal property at a publicly owned
8 domed stadium facility or baseball facility; sales and use tax; exemptions

9 * * *

10 I. Beginning January 1, 2025, and notwithstanding any other provision of
11 law, the exemptions provided for in this Section shall not apply to state sales and use
12 taxes.

13 §468. Sales of services and tangible personal property at certain public facilities;
14 sales and use tax; exemptions

15 * * *

16 I. Beginning January 1, 2025, and notwithstanding any other provision of
17 law, the exemptions provided for in this Section shall not apply to state sales and use
18 taxes.

19 * * *

20 Section 6. R.S. 47:182, 223, 301(1), (16)(a) and (b), 302.1(A), 337.6, 337.9(A), (B),
21 (C)(1), through (9), (11) through (18), (21) through (26), (D)(1) through (14), (16) through
22 (26), (27)(a) and (b), (29), (31) through (34), 337.10(A)(introductory paragraph), (E), (G),
23 (I)(1), (M), (N) and (P), 337.11(introductory paragraph),(1), (2) and (12), 337.15(B)(2),
24 6001(A), 6007(I), 6019(A)(1)(a), 6020(H), 6034(K) and 9052(E) are hereby amended and
25 reenacted and R.S. 47:305.25(D), 305.37(C), 305.54(H), 305.58(G), 305.62(G), 3204(M)
26 and 4302(E) are hereby enacted to read as follows:

27 §182. Net income of estate or trust

28 The net income of the estate or trust shall be computed in the same manner
29 and on the same basis as in the case of an individual. ~~except that:~~

1 §223. Net income of life insurance companies

2 ~~A. Deductions allowed:~~ In the case of a life insurance company, the term
3 "net income" means the gross income less:

4 ~~(1) The the amount of interest received during the taxable year upon the~~
5 ~~obligations of a state, territory, or any political subdivision thereof, or the District of~~
6 ~~Columbia, or the federal government, or any of its possessions, or obligations of a~~
7 ~~corporation organized under an act of the Congress of the United States, if such~~
8 ~~corporation is an instrumentality of the United States;~~

9 ~~(2) An amount equal to four per centum (4%) of the mean of the reserve~~
10 ~~funds required by law and held at the beginning and end of the taxable year, except~~
11 ~~in the case of any such reserve fund which is computed at a lower interest~~
12 ~~assumption rate, the rate of three and three-fourths per centum (3 3/4%) shall be~~
13 ~~substituted for four per centum (4%). Life insurance companies issuing policies~~
14 ~~covering life, health, and accident insurance combined in one policy issued on the~~
15 ~~weekly premium payment plan, continuing for life and not subject to cancellation,~~
16 ~~shall be allowed, in addition to the above, a deduction of three and three-fourths per~~
17 ~~centum (3 3/4%) of the mean of such reserve funds (not required by law) held at the~~
18 ~~beginning and end of the taxable year, as the collector finds to be necessary for the~~
19 ~~protection of the holders of such policies only;~~

20 ~~(3) The amount of dividends from a domestic or foreign corporation which~~
21 ~~is subject to taxation under this Chapter;~~

22 ~~(4) An amount equal to two per centum (2%) of any sums held at the end of~~
23 ~~the taxable year as a reserve for dividends (other than dividends payable during the~~
24 ~~year following the taxable year), the payment of which is deferred for a period of not~~
25 ~~less than five (5) years from the date of the policy contract;~~

26 ~~(5) Investment expenses paid during the taxable year; provided, that if any~~
27 ~~general expenses are in part assigned to or included in the investment expenses, the~~
28 ~~total deduction under this paragraph shall not exceed one-fourth of one per centum~~

1 ~~(1/4%) of the book value of the mean of the invested assets held at the beginning and~~
2 ~~end of the taxable year;~~

3 ~~(6) Taxes and other expenses paid during the taxable year exclusively upon~~
4 ~~or with respect to the real estate owned by the company, not including taxes assessed~~
5 ~~against local benefits of a kind tending to increase the value of the property assessed,~~
6 ~~and not including any amount paid out for new buildings, or for permanent~~
7 ~~improvements or betterments made to increase the value of any property. The~~
8 ~~deduction allowed by this paragraph shall be allowed in the case of taxes imposed~~
9 ~~upon a shareholder of a company upon his interest as a shareholder, which are paid~~
10 ~~by the company without reimbursement from the shareholder, but in such cases no~~
11 ~~deduction shall be allowed the shareholder for the amount of such taxes;~~

12 ~~(7) A reasonable allowance as provided in R.S. 47:65 for the exhaustion,~~
13 ~~wear and tear of property, including a reasonable allowance for obsolescence;~~

14 ~~(8) All interest paid within the taxable year on its indebtedness, except on~~
15 ~~indebtedness incurred or continued to purchase or carry, or the proceeds of which~~
16 ~~were used to purchase or carry obligations, the interest upon which is wholly exempt~~
17 ~~from taxation under this Chapter; and~~

18 ~~(9) Net additions made within the taxable year to reserve funds, and sums~~
19 ~~paid within the taxable year on policy and annuity contracts.~~

20 ~~B. Rental value of real estate. The deduction under Sub-section A(6) or (7)~~
21 ~~of this Section on account of any real estate owned and occupied in whole or in part~~
22 ~~by a life insurance company, shall be limited to an amount which bears the same~~
23 ~~ratio to such deduction, computed without regard to this subsection, as the rental~~
24 ~~value of the space not so occupied bears to the rental value of the entire property.~~

25 * * *

26 §301. Definitions

27 As used in this Chapter the following words, terms, and phrases have the
28 meanings ascribed to them in this Section, unless the context clearly indicates a
29 different meaning:

1 (1) "Business" includes any activity engaged in by any person or caused to
2 be engaged in by him with the object of gain, benefit, or advantage, either direct or
3 indirect. ~~The term "business" shall not be construed to include the occasional and~~
4 ~~isolated sales by a person who does not hold himself out as engaged in business.~~

5 * * *

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

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

10 (i) ~~Stocks~~ stocks, bonds, notes, or other obligations or securities.

11 (ii)(aa) ~~Platinum, gold, or silver bullion, that is valued solely upon its~~
12 ~~precious metal content, whether in coin or ingot form.~~

13 (bb) ~~Numismatic coins that have a sales price of no more than one thousand~~
14 ~~dollars.~~

15 (cc) ~~Numismatic coins sold at a national, statewide, or multi-parish~~
16 ~~numismatic trade show.~~

17 (iii) ~~Proprietary geophysical survey information or geophysical data analysis~~
18 ~~furnished under a restricted use agreement even though transferred in the form of~~
19 ~~tangible personal property.~~

20 * * *

21 §302.1. Exemptions from lease or rental tax, helicopters

22 A. Whenever a helicopter used in the exploration for or the extraction or
23 production of oil, gas, and other minerals or for providing services to those engaged
24 in such extraction, production, or exploration is acquired or used through a
25 transaction entitled lease, rental, lease-purchase, or any similar name which for
26 purposes other than sales taxation might be considered a conditional sale contract or
27 a transaction in lieu of sale, such acquisition or use shall be deemed to be a sale for
28 ~~state and~~ local sales tax purposes.

29 * * *

1 §305.25. Exclusions and exemptions; farm equipment

2 * * *

3 D. Beginning January 1, 2025, and notwithstanding any other provision of
4 law, the exemption provided for in this Section shall not apply to state sales and use
5 taxes.

6 * * *

7 §305.37. Exclusions and exemptions; diesel fuel, butane, propane, or other liquefied
8 petroleum gases used for farm purposes

9 * * *

10 C. Beginning January 1, 2025, and notwithstanding any other provision of
11 law, the exemption provided for in this Section shall not apply to state sales and use
12 taxes.

13 * * *

14 §305.54. Exemption; Annual Louisiana Sales Tax Holidays Act

15 * * *

16 H. Beginning January 1, 2025, and notwithstanding any other provision of
17 law, the exemption provided for in this Section shall not apply to state sales and use
18 taxes.

19 * * *

20 §305.58. Exemption; annual sales tax holiday; hurricane-preparedness items or
21 supplies; dates; restrictions

22 * * *

23 G. Beginning January 1, 2025, and notwithstanding any other provision of
24 law, the exemption provided for in this Section shall not apply to state sales and use
25 taxes.

26 * * *

27 §305.62. Exemption; Annual Louisiana Second Amendment Weekend Holiday

28 * * *

1 for sale. These terms are limited to those persons, partnerships, or corporations
2 regularly engaged in the commercial production for sale of vegetables, fruits, crops,
3 livestock, poultry, and other food or agricultural products that report farm income
4 and expenses on a federal Schedule F or similar federal tax form, including but not
5 limited to 1065, 1120, and 1120S filed by a person assigned a North American
6 Industry Classification System (NAICS) Code beginning with 11. The Department
7 of Revenue, in consultation with the Department of Agriculture and Forestry, shall
8 develop and promulgate rules to determine who meets this definition no later than
9 January 1, 2019. Notwithstanding any contrary provision of this Paragraph, the
10 Department of Revenue shall honor existing farmer exemption certificates issued by
11 the department until July 1, 2019.

12 (b) Notwithstanding the provisions of Subparagraph (a) of this Paragraph,
13 the term "commercial farmer" may include a landowner who is a party of a joint
14 venture and who leases land to a commercial farmer as defined in Subparagraph (a)
15 of this Paragraph. In order to qualify as a commercial farmer, the lessee landowner
16 shall submit documentation of the joint venture arrangement or a report of farm
17 income and expenses, including proof of lease income, from the joint venture on a
18 federal Schedule F form or similar federal tax form to the Department of Revenue
19 in order for the secretary of the department to make a determination that the taxpayer
20 is a commercial farmer.

21 ~~B. The words, terms, and phrases used in this Chapter shall have the same~~
22 ~~meaning ascribed to them as provided for in R.S. 47:301, unless the context clearly~~
23 ~~indicates a different meaning, except to the extent expressly limited in that Section.~~

24 (4) The term "computer software" means a set of statements, data, or
25 instructions to be used directly or indirectly in a computer in order to bring about a
26 certain result in any form in which those statements, data, or instructions may be
27 embodied, transmitted, or fixed, by any method now known or hereafter developed,
28 regardless of whether the statements, data, or instructions are capable of being

1 perceived by or communicated to humans. Computer software includes all types of
2 software including operational, applicational, utilities, compilers, and all other forms.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

28 (ii) Payments to a dealer or distributor as consideration for distribution of the
29 news publications.

1 (6)(a) The term "custom computer software" means computer software
2 prepared, created, adapted, or modified to the special order of a particular purchaser,
3 licensee, or user; or to meet the specific needs or requirements of a particular
4 purchaser, licensee, or user, regardless of the means by or through which such
5 computer software is furnished, delivered, or transmitted, and regardless of whether
6 such software incorporates or consists of preexisting routines, utilities, or other
7 computer software components.

8 (b) In order to be considered "custom computer software", the computer
9 software must require preparation, creation, adaption, or modification by the vendor
10 in order to be used in a specific work environment or to perform a specific function
11 for the user.

12 (c) Updates, upgrades, and new versions of custom computer software shall
13 be considered custom computer software, provided such upgrades, updates, and new
14 versions meet the definition of custom computer software contained in this Chapter.

15 (7) "Dealer" includes every person who manufactures or produces tangible
16 personal property for sale at retail, for use, or consumption, or distribution, or for
17 storage to be used or consumed in a taxing jurisdiction. "Dealer" is further defined
18 to mean:

19 (a) Every person who imports, or causes to be imported, tangible personal
20 property from any other state, foreign country, or other taxing jurisdiction for sale
21 at retail, for use, or consumption, or distribution, or for storage to be used or
22 consumed in a taxing jurisdiction.

23 (b) Every person who sells at retail, or who offers for sale at retail, or who
24 has in his possession for sale at retail, or for use, or consumption, or distribution, or
25 storage to be used or consumed in the taxing jurisdiction, tangible personal property
26 as defined herein.

27 (c) Any person who has sold at retail, or used, or consumed, or distributed,
28 or stored for use or consumption in the taxing jurisdiction, tangible personal property
29 and who cannot prove that the tax levied by this Chapter has been paid on the sale

1 at retail, the use, the consumption, the distribution, or the storage of said tangible
2 personal property.

3 (d)(i) Any person who leases or rents tangible personal property for a
4 consideration, permitting the use or possession of the property without transferring
5 title thereto.

6 (ii) However, a person who leases or rents tangible personal property to
7 customers who provide information to such person that they will use the property
8 only offshore beyond the territorial limits of the state shall not be included in the
9 term "dealer" for purposes of the collection of the rental or lease tax of a political
10 subdivision on such lease or rental contracts. For purposes of this Item, "use" means
11 the operational or functional use of the property and not other uses related to its
12 possession such as transportation, maintenance, and repair. It is the intention of this
13 Item that the customers of such persons shall remit any tax due on the lease or rental
14 of such property directly to the local taxing body to whom they are due.

15 (e) Any person who is the lessee or rentee of tangible personal property and
16 who pays to the owner of such property a consideration for the use or possession of
17 such property without acquiring title thereto.

18 (f)(i) Any person, who sells or furnishes any of the services subject to tax
19 under this Chapter.

20 (ii) Under guidelines enacted by the Legislature of Louisiana during the 2016
21 Regular Session, any person engaged in collecting the amount required to be paid by
22 a transient guest as a condition of occupancy at a residential location as provided for
23 in Item (11)(a)(ii) of this Section.

24 (iii) For purposes of this Chapter, dealer shall not include persons leasing
25 apartments or single family dwellings on a month-to-month basis.

26 (g) Any person, as used in this act, who purchases or receives any of the
27 services subject to tax under this Chapter.

28 (h) Any person engaging in business in the taxing jurisdiction. "Engaging in
29 business in the taxing jurisdiction" means and includes any of the following methods

1 of transacting business: maintaining directly, indirectly, or through a subsidiary, an
2 office, distribution house, sales house, warehouse, or other place of business or by
3 having an agent, salesman, or solicitor operating within the taxing jurisdiction under
4 the authority of the seller or its subsidiary irrespective of whether such place of
5 business, agent, salesman, or solicitor is located in such taxing jurisdiction
6 permanently or temporarily or whether such seller or subsidiary is qualified to do
7 business in such taxing jurisdiction, or any person who makes deliveries of tangible
8 personal property into the taxing jurisdiction other than by a common or contract
9 carrier.

10 (i) Any person who sells at retail any tangible personal property to a vending
11 machine operator for resale through coin-operated vending machines.

12 (j) Any person who makes deliveries of tangible personal property into the
13 taxing jurisdiction in a vehicle owned or operated by said person.

14 (k) The term "dealer" shall not include lessors of railroad rolling stock used
15 either for freight or passenger purposes. However, the term "dealer" shall include
16 lessees, other than a railway company or railroad corporation, of such property and
17 such lessees shall be responsible for the collection and payment of all local sales and
18 use taxes.

19 (l)(i) Any person who sells for delivery into Louisiana tangible personal
20 property, products transferred electronically, or services, and who does not have a
21 physical presence in Louisiana, if during the previous or current calendar year either
22 of the following criteria was met:

23 (aa) The person's gross revenue for sales delivered into Louisiana has
24 exceeded one hundred thousand dollars from sales of tangible personal property,
25 products transferred electronically, or services.

26 (bb) The person sold for delivery into Louisiana tangible personal property,
27 products transferred electronically, or services in two hundred or more separate
28 transactions.

1 (ii) A person without a physical presence in Louisiana may voluntarily
2 register for and collect state and local sales and use taxes as a dealer, even if they do
3 not meet the criteria established in Item (i) of this Subparagraph.

4 (m)(i) Any person who operates, maintains, or facilitates a peer-to-peer
5 vehicle sharing program and collects any amount required to be paid as part of a
6 vehicle sharing program agreement whereby a shared vehicle owner leases or rents
7 a shared vehicle to a shared vehicle driver in this state.

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

10 (aa) "Peer-to-peer vehicle sharing" means the authorized use of a vehicle by
11 a person other than the vehicle's owner through a peer-to-peer car sharing program.

12 (bb) "Peer-to-peer vehicle sharing program" means a business platform that
13 connects a shared vehicle owner with a shared vehicle driver to enable the sharing
14 of vehicles for financial consideration.

15 (cc) "Shared vehicle" means a vehicle that is available for sharing through
16 a peer-to-peer vehicle sharing program.

17 (dd) "Shared vehicle driver" means a person who has been authorized to
18 drive the shared vehicle by the shared vehicle owner under a vehicle sharing program
19 agreement.

20 (ee) "Shared vehicle owner" means the registered owner, or a person or
21 entity designated by the registered owner, of a shared vehicle made available for
22 sharing to shared vehicle drivers through a peer-to-peer vehicle sharing program.

23 (ff) "Vehicle sharing program agreement" means the terms and conditions
24 applicable to a shared vehicle owner and a shared vehicle driver that govern the use
25 of a shared vehicle through a peer-to-peer vehicle sharing program.

26 (8) "Drugs" includes all pharmaceuticals and medical devices which are
27 prescribed for use in the treatment of any medical disease.

28 (9) "Free hospital" means a hospital that does not charge any patients for
29 health care provided by the hospital.

1 (10) "Gross sales" means the sum total of all retail sales of tangible personal
2 property, without any deduction whatsoever of any kind or character except as
3 provided in this Chapter.

4 (11)(a) "Hotel" means and includes any establishment or person engaged in
5 the business of furnishing sleeping rooms, cottages, or cabins to transient guests,
6 where such establishment consists of sleeping rooms, cottages, or cabins at any of
7 the following:

8 (i) A single business location.

9 (ii) A residential location, including but not limited to a house, apartment,
10 condominium, camp, cabin, or other building structure used as a residence.

11 (iii) For purposes of this Chapter, hotel shall not mean or include any
12 establishment or person leasing apartments or single family dwelling on a month-to-
13 month basis.

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

28 (c) For purposes of the local sales and use taxes of all political subdivisions
29 in the state, the term "hotel", as defined herein, shall not include a temporary lodging

1 facility which is operated by a nonprofit organization described in Section 501(c)(3)
2 of the Internal Revenue Code, provided that the facility is devoted exclusively to the
3 temporary housing, for periods no longer than thirty days' duration, of homeless
4 transient persons whom the organization determines to be financially incapable of
5 engaging lodging at a facility defined by Subparagraph (a) of this Paragraph, and
6 further provided that the lodging charge to such persons is no greater than twenty
7 dollars per day.

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

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

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

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

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

5 (f) For purposes of political subdivision sales and use tax, the term "lease or
6 rental" shall not mean or include the lease or rental of motor vehicles by licensed
7 motor vehicle dealers, as defined in R.S. 32:1252(35), or vehicle manufacturers, as
8 defined in R.S. 32:1252(24), for their use in furnishing such leased or rented motor
9 vehicles to their customers in performance of their obligations under warranty
10 agreements associated with the purchase of a motor vehicle or when the applicable
11 warranty has lapsed and the leased or rented motor vehicle is provided to the
12 customer at no charge.

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

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

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

24 (i)(i) For purposes of local sales and use tax levied by any political
25 subdivision, the term "lease or rental" shall not apply to leases or rentals of pallets
26 which are used in packaging products produced by a manufacturer.

27 (ii) For purposes of this Subparagraph, the term "manufacturer" shall mean
28 a person whose primary activity is manufacturing and who is assigned by the

1 Louisiana Workforce Commission a North American Industrial Classification
2 System code within the manufacturing sectors 31-33 as they existed in 2002.

3 (13) "Local ordinance", for purposes of this Chapter, shall include both
4 ordinances and resolutions pursuant to which a political subdivision levies a sales
5 and use tax and otherwise provides with respect thereto.

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

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

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

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

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

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

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

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

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

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

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

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

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

22 (15) "Manufacturer" means:

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

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

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

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

20 (a) Repackaging or redistributing.

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

23 (c) The storage of tangible personal property.

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

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

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

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

4 (18) The term "news publication" shall mean any printed periodical that:

5 (a) Appears at regular intervals.

6 (b) Contains reports of a varied character, such as political, social, cultural,
7 sports, moral, religious, or other subjects of general public interest.

8 (c) Contains not more than seventy-five percent advertising.

9 (d) Is not owned or published as an auxiliary to another nonpublishing
10 business, organization, or entity.

11 (19) "Off-road vehicle" is any vehicle manufactured for off-road use which
12 is issued a manufacturer's statement of origin that cannot be issued a registration
13 certificate and license to operate on the public roads of this state because at the time
14 of manufacture the vehicle does not meet the safety requirements prescribed by R.S.
15 32:1301 through 1310. This includes vehicles that are issued a title only by the
16 Department of Public Safety and Corrections, public safety services, such as all
17 terrain vehicles and recreational and sport vehicles, but it shall not include off-road
18 vehicles used for farm purposes, farm equipment, or heavy construction equipment.

19 (20)(a) "Person", except as provided in Subparagraph (b) of this Paragraph,
20 includes any individual, firm, copartnership, joint adventure, association,
21 corporation, estate, trust, business trust, receiver, syndicate, this state, any parish,
22 city and parish, municipality, district or other political subdivision thereof or any
23 board, agency, instrumentality, or other group or combination acting as a unit, and
24 the plural as well as the singular number.

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

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

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

9 (22) "Political subdivision" means a parish, municipality, and any other unit
10 of local government, including a school board and a special district, authorized by
11 law to levy and collect a sales and use tax.

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

16 (24)(a)(i) Solely for purposes of the imposition of the sales and use tax levied
17 by a political subdivision or school board, "retail sale" or "sale at retail" shall mean
18 a sale to a consumer or to any other person for any purpose other than for resale in
19 the form of tangible personal property, or resale of those services defined in
20 Paragraph (28) of this Section provided the retail sale of the service is subject to
21 sales tax in this state, and shall mean and include all such transactions as the
22 collector, upon investigation, finds to be in lieu of sales; provided that sales for
23 resale be made in strict compliance with the rules and regulations. Any dealer
24 making a sale for resale, which is not in strict compliance with the rules and
25 regulations shall himself be liable for and pay the tax. A local collector shall accept
26 a resale certificate issued by the Department of Revenue, provided the taxpayer
27 includes the parish of its principal place of business and local sales tax account
28 number on the state certificate. However, in the case of an intra-parish transaction
29 from dealer to dealer, the collector may require that the local exemption certificate

1 be used in lieu of the state certificate. The department shall accommodate the
2 inclusion of such information on its resale certificate for such purposes.

3 (ii) "Retail sale" or "sale at retail" for purposes of sales and use taxes
4 imposed by political subdivisions on transactions involving the sale for rental of
5 automobiles which take place on or after July 1, 1996, means a sale to a consumer
6 or to any other person for any purpose other than for resale as tangible personal
7 property, or for lease or rental in an arm's length transaction in the form of tangible
8 personal property, and shall mean and include all such transactions as the collector,
9 upon investigation, finds to be in lieu of sales; provided that sales for resale or for
10 lease or rental in an arm's length transaction must be made in strict compliance with
11 the rules and regulations. Any dealer making a sale for resale or for lease or rental,
12 which is not in strict compliance with the rules and regulations, shall himself be
13 liable for and pay the tax. For purposes of the imposition of the tax imposed by any
14 political subdivision of the state, for the period beginning on July 1, 1999, and
15 ending on June 30, 2000, the term "retail sale" or "sale at retail" shall not include
16 one-fourth of the sales price of any tangible personal property which is sold in order
17 to be leased or rented in an arm's length transaction in the form of tangible personal
18 property. For purposes of the imposition of the tax imposed by any political
19 subdivision of the state, for the period beginning on July 1, 2000, and ending on June
20 30, 2001, the term "retail sale" or "sale at retail" shall not include one-half of the
21 sales price of any tangible personal property which is sold in order to be leased or
22 rented in an arm's length transaction in the form of tangible personal property. For
23 purposes of the imposition of the tax imposed by any political subdivision of the
24 state, for the period beginning on July 1, 2001, and ending on June 30, 2002, the
25 term "retail sale" or "sale at retail" shall not include three-fourths of the sales price
26 of any tangible personal property which is sold in order to be leased or rented in an
27 arm's length transaction in the form of tangible personal property. Beginning July
28 1, 2002, for the purposes of imposition of the tax levied by any political subdivision
29 of the state, the term "retail sale" or "sale at retail" shall not include the sale of any

1 tangible personal property which is sold in order to be leased or rented in an arm's
2 length transaction in the form of tangible personal property.

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

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

20 (c)(i) The term "sale at retail" does not include sale of materials for further
21 processing into articles of tangible personal property for sale at retail when all of the
22 criteria in Subitem (aa) of this Item are met.

23 (aa)(I) The raw materials become a recognizable and identifiable component
24 of the end product.

25 (II) The raw materials are beneficial to the end product.

26 (III) The raw materials are material for further processing, and as such, are
27 purchased for the purpose of inclusion into the end product.

1 (bb) For purposes of this Item, the term "sale at retail" shall not include the
2 purchase of raw materials for the production of raw or processed agricultural,
3 silvicultural, or aquacultural products.

4 (cc)(I) If the materials are further processed into a byproduct for sale, such
5 purchases of materials shall not be deemed to be sales for further processing and
6 shall be taxable. For purposes of this Item, the term "byproduct" shall mean any
7 incidental product that is sold for a sales price less than the cost of the materials.

8 (II) In the event a byproduct is sold at retail in this state for which a sales and
9 use tax has been paid by the seller on the cost of the materials, which materials are
10 used partially or fully in the manufacturing of the byproduct, a credit against the tax
11 paid by the seller shall be allowed in an amount equal to the sales tax collected and
12 remitted by the seller on the taxable retail sale of the byproduct.

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

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

19 (e) The term "sale at retail" does not include the sale of raw agricultural
20 commodities, including but not limited to feed, seed, and fertilizer, to be utilized in
21 preparing, finishing, manufacturing, or producing crops or animals for market by a
22 commercial farmer as defined in Paragraph (3) of this Section.

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

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

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

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

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

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

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

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

20 (l) For purposes of the sales and use taxes imposed or levied by any political
21 subdivision, the term "sale at retail" shall not include the sales of Louisiana-
22 manufactured or Louisiana-assembled passenger aircraft with a maximum capacity
23 of eight persons, if, after all transportation, including transportation by the purchaser,
24 has been completed, the aircraft is ultimately received by the purchaser outside of
25 Louisiana. The place at which the aircraft is ultimately received shall be considered
26 as the place at which the aircraft is stored after all transportation has been completed.

27 (m) For purposes of the sales and use taxes imposed by any political
28 subdivision, the term "sale at retail" shall not include the sales of pelletized paper
29 waste when purchased for use as combustible fuel by an electric utility or in an

1 industrial manufacturing, processing, compounding, reuse, or production process,
2 including the generation of electricity or process steam, at a fixed location in this
3 state. However, such sale shall not be excluded unless the purchaser has signed a
4 certificate stating that the fuel purchased is for the exclusive use designated herein.
5 For purposes of this Subparagraph, "pelletized paper waste" means pellets produced
6 from discarded waste paper that has been diverted or removed from solid waste
7 which is not marketable for recycling and which is wetted, extruded, shredded, or
8 formulated into compact pellets of various sizes for use as a supplemental fuel in a
9 permitted boiler.

10 (n) For the purposes of sales and use taxes imposed or levied by any political
11 subdivision or any local government subdivision or school board, the term "sale at
12 retail" shall not include the sale or purchase of equipment used in fire fighting by
13 bona fide volunteer and public fire departments.

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

18 (p) For purposes of political subdivision sales and use tax, the term "sale at
19 retail" shall not include:

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

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

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

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

23 (s) For purposes of sales and use taxes imposed by any political subdivision,
24 the term "sale at retail" shall not include the transfer of title to or possession of
25 telephone directories by an advertising company that is not affiliated with a provider
26 of telephone services if the telephone directories will be distributed free of charge
27 to the recipients of the telephone directories.

28 (t) For purposes of sales and use taxes levied and imposed by local
29 governmental subdivisions, school boards, and other political subdivisions whose

1 boundaries are not coterminous with those of the state, "sale at retail" by a person
2 shall not mean or include the sale of tangible personal property if such sale is made
3 under the provisions of Medicare.

4 (u) For purposes of the sales and use taxes imposed by any political
5 subdivision, in the case of the sale or other disposition by a dealer of any cellular,
6 PCS, or wireless telephone, or any electronic accessories that are physically
7 connected with such telephones and personal communication devices used in
8 connection with the sale or use of mobile telecommunications services, the term
9 "retail sale" or "sale at retail" shall mean and include the sale or any other disposition
10 of such cellular, PCS, or wireless telephone, any electronic accessories that are
11 physically connected with such telephones and personal communication devices by
12 the dealer to the purchaser, but shall not mean or include the withdrawal, use,
13 distribution, consumption, storage, donation, or any other disposition of any such
14 cellular, PCS, or wireless telephone, any electronic accessories that are physically
15 connected with such telephones, and personal communication devices by the dealer.

16 (v) For purposes of the imposition of sales and use taxes imposed or levied
17 by any political subdivision of the state, in the case of the sale or other disposition
18 by a dealer of any cellular telephone, PCS telephone, wireless telephone, or other
19 wireless personal communication device that is used in connection with the sale or
20 use of mobile telecommunications services, or any electronic accessory that is
21 physically connected with any such telephone or personal communication device, the
22 term "retail sale" or "sale at retail" shall mean and include the sale or any other
23 disposition of any such telephone, other personal communication device, or
24 electronic accessory.

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

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

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

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

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

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

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

23 (y) For purposes of sales taxes imposed by any political subdivision of the
24 state, the term "retail sale" or "sale at retail" shall not include sales of tangible
25 personal property by the Military Department, state of Louisiana, which occur on an
26 installation or other property owned or operated by the Military Department.

27 (z) For purposes of sales and use tax imposed by any political subdivision
28 of the state, the term "sale at retail" shall not include the sale of anthropogenic
29 carbon dioxide for use in a qualified tertiary recovery project approved by the

1 assistant secretary of the office of conservation of the Department of Natural
2 Resources pursuant to R.S. 47:633.4.

3 (aa) For purposes of sales and use tax imposed by any political subdivision,
4 the term "sale at retail" shall not include the sale of tangible personal property at an
5 event providing Louisiana heritage, culture, crafts, art, food, and music which is
6 sponsored by a domestic nonprofit organization that is exempt from tax under
7 Section 501(c)(3) of the Internal Revenue Code. The provisions of this
8 Subparagraph shall apply only to an event which transpires over a minimum of seven
9 but not more than twelve days and has a five-year annual average attendance of at
10 least three hundred thousand over the duration of the event. For purposes of
11 determining the five-year annual average attendance, the calculation shall include the
12 total annual attendance for each of the five most recent years. The provisions of this
13 Subparagraph shall apply only to sales by the sponsor of the event.

14 (bb) For purposes of sales and use tax imposed by any political subdivision,
15 the term "retail sale" or "sale at retail" shall not include marijuana recommended for
16 therapeutic use by patients clinically diagnosed as suffering from a debilitating
17 medical condition as defined in R.S. 40:1046.

18 (25) "Retailer" means and includes every person engaged in the business of
19 making sales at retail or for distribution, or use or consumption, or storage to be used
20 or consumed in this state.

21 (26) "Sale" means any transfer of title or possession, or both, exchange,
22 barter, conditional or otherwise, in any manner or by any means whatsoever, of
23 tangible personal property, for a consideration, and includes the fabrication of
24 tangible personal property for consumers who furnish, either directly or indirectly,
25 the materials used in fabrication work, and the furnishing, preparing or serving, for
26 a consideration, of any tangible personal property, consumed on the premises of the
27 person furnishing, preparing or serving such tangible personal property. A
28 transaction whereby the possession of property is transferred but the seller retains
29 title as security for the payment of the price shall be deemed a sale.

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

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

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

17 (d) Notwithstanding any other provision of law to the contrary, for purposes
18 of political subdivision sales and use tax, the "sales price" of refinery gas, except for
19 feedstock, not ultimately consumed as an energy source by the person who owns the
20 facility in which the refinery gas is created as provided for in Subparagraph (35)(d)
21 of this Section, but sold to another person, whether at retail or wholesale, shall be
22 fifty-two cents per thousand cubic feet multiplied by a fraction the numerator of
23 which shall be the posted price for a barrel of West Texas Intermediate Crude Oil on
24 December first of the preceding calendar year and the denominator of which shall
25 be twenty-nine dollars, and provided further that such sales price shall be the
26 maximum value placed upon refinery gas by a taxing authority under any authority
27 or grant of power to levy and collect sales or use taxes, and such sale shall be
28 taxable.

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

10 (f) The term "sales price" shall exclude any charge, fee, money, or other
11 consideration received, given, or paid for the performance of funeral directing
12 services as defined in Subparagraph (24)(r) of this Section.

13 (g) Solely for purposes of the imposition of sales and use tax imposed by
14 political subdivisions, in the case of the retail sale by a dealer of any cellular, PCS,
15 or wireless telephone, any electronic accessories that are physically connected with
16 such telephones and personal communications devices used in connection with the
17 sale or use of mobile telecommunications services, as defined in Subparagraph
18 (24)(u) of this Section, the term "sales price" shall mean and include only the amount
19 of money, if any, actually received by the dealer from the purchaser for each such
20 cellular, PCS, or wireless telephone and any electronic accessories that are physically
21 connected with such telephones and personal communication devices, but shall not
22 include (i) any amount received by the dealer from the purchaser for providing
23 mobile telecommunications services, or (ii) any commissions, fees, rebates, or other
24 amounts received by the dealer from any source other than the purchaser as a result
25 of or in connection with the sale of the cellular, PCS, or wireless telephone, any
26 electronic accessories that are physically connected with such telephones and
27 personal communication devices.

28 (h) Solely for the purpose of sales and use tax imposed by political
29 subdivisions, any cellular, PCS, or wireless telephone used in connection with the

1 sale or use of mobile telecommunications services, as defined in Subparagraph
2 (24)(u) of this Section, after January 1, 2002, the term "sales price" shall mean and
3 include the greater of (i) the amount of money actually received by the dealer from
4 the purchaser for each such telephone, or (ii) twenty-five percent of the cost of such
5 telephone to the dealer, but shall not include any amount received by the dealer from
6 the purchaser for providing mobile telecommunications services or any
7 commissions, fees, rebates, or other amounts received by the dealer from any source
8 other than the purchaser as a result of or in connection with the sale of the telephone.

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

12 (i) The printing cost paid to unrelated third parties to print such news
13 publications, less any itemized freight charges for shipping the news publications
14 from the printer to the publishing business and any itemized charges for paper and
15 ink.

16 (ii) Payments to a dealer or distributor as consideration for distribution of the
17 news publications.

18 (j) For the purpose of the imposition of sales and use tax imposed or levied
19 by any political subdivision of the state, in the case of any retail sale or sale at retail,
20 of any cellular telephone, PCS telephone, or wireless telephone used in connection
21 with the sale or use of mobile telecommunications services, as defined in
22 Subparagraph (24)(v) of this Section, or any electronic accessory that is physically
23 connected with any such telephone or personal communication device, the term
24 "sales price" shall mean and include the greater of (i) the amount of money, if any,
25 actually received by the dealer from the purchaser at the time of the retail sale or sale
26 at retail by the dealer to the purchaser for each such telephone, personal
27 communication device, or electronic accessory, or (ii) twenty-five percent of the cost
28 of such telephone to the dealer, but shall not include any amount received by the
29 dealer from the purchaser for providing mobile telecommunications services or any

1 commissions, fees, rebates, activation charges, or other amounts received by the
2 dealer from any source other than the purchaser as a result of or in connection with
3 the sale of the telephone.

4 (k)(i) Solely for purposes of the payment of the sales and use tax levied by
5 any political subdivision, the term "sales price" shall not include the price of
6 specialty items sold to members for fund-raising purposes by nonprofit carnival
7 organizations domiciled within Louisiana and participating in a parade sponsored by
8 a carnival organization.

9 (ii) The collector shall promulgate rules and regulations for purposes of this
10 exclusion.

11 (iii) No nonprofit carnival organization domiciled within Louisiana and
12 participating in a parade sponsored by a carnival organization shall claim exemption
13 or exclusion before having obtained a certificate of authorization from the collector.
14 The collector shall develop applications for such certificates. The certificates shall
15 be issued without charge to the entities which qualify.

16 (28) "Sales of services" means and includes the following:

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

18 (b)(i) The sale of admissions to places of amusement, to athletic
19 entertainment other than that of schools, colleges, and universities, and recreational
20 events, and the furnishing, for dues, fees, or other consideration of the privilege of
21 access to clubs or the privilege of having access to or the use of amusement,
22 entertainment, athletic, or recreational facilities.

23 (ii) The term "sales of services" shall not include membership fees or dues
24 of nonprofit, civic organizations, including by way of illustration and not of
25 limitation the Young Men's Christian Association, the Catholic Youth Organization,
26 and the Young Women's Christian Association.

27 (iii)(aa) Places of amusement shall not include "museums", which are hereby
28 defined as public or private nonprofit institutions which are organized on a

1 permanent basis for essentially educational or aesthetic purposes and which use
2 professional staff to do all of the following:

3 (I) Own or use tangible objects, whether animate or inanimate.

4 (II) Care for those objects.

5 (III) Exhibit them to the public on a regular basis.

6 (IV) Museums include but are not limited to the following institutions:

7 (bb) Museums relating to art, history, including historic buildings, natural
8 history, science, and technology.

9 (I) Aquariums and zoological parks.

10 (II) Botanical gardens and arboretums.

11 (III) Nature centers.

12 (IV) Planetariums.

13 (iv) For purposes of the sales and use taxes of political subdivisions, the term
14 "places of amusement" as used herein shall not include camp and retreat facilities
15 owned and operated by nonprofit organizations exempt from federal income tax
16 under Section 501(a) of the Internal Revenue Code as an organization described in
17 Section 501(c)(3) of the Internal Revenue Code provided that the net revenue derived
18 from the organization's property is devoted wholly to the nonprofit organization's
19 purposes.

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

22 (d) The furnishing of printing or overprinting, lithographic, multilith, blue
23 printing, photostating or other similar services of reproducing written or graphic
24 matter.

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

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

5 (g)(i) The furnishing of repairs to tangible personal property, including but
6 not restricted to the repair and servicing of automobiles and other vehicles, electrical
7 and mechanical appliances and equipment, watches, jewelry, refrigerators, radios,
8 shoes, and office appliances and equipment.

9 (ii)(aa) For purposes of the sales and use taxes imposed by political
10 subdivisions, sale of services shall not include the labor, or sale of materials,
11 services, and supplies, used for the repairing, renovating, or converting of any
12 drilling rig, or machinery and equipment which are component parts thereof, which
13 is used exclusively for the exploration or development of minerals outside the
14 territorial limits of the state in Outer Continental Shelf waters.

15 (bb) For the purposes of this Subitem, "drilling rig" means any unit or
16 structure, along with its component parts, which is used primarily for drilling,
17 workover, intervention or remediation of wells used for exploration or development
18 of minerals and "component parts" means any machinery or equipment necessary for
19 a drilling rig to perform its exclusive function of exploration or development of
20 minerals.

21 (iii) For purposes of the sales and use tax levied by political subdivisions,
22 "repair to tangible personal property and fabrication" shall not include surface
23 preparation, coating, and painting of a fixed or rotary wing military aircraft or
24 certified transport category aircraft so long as the Federal Aviation Administration
25 registration address of the aircraft is not in this state.

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

1 (i) Local taxing authorities are prohibited from levying a sales and use tax
2 on telecommunications services not in effect on July 1, 1990, provided, however,
3 that the provisions of this Subparagraph shall not be construed to prohibit the levy
4 or collection of any franchise, excise, gross receipts, or similar tax or assessment by
5 any political subdivision of the state as defined in Article VI, Section 44(2) of the
6 Constitution of Louisiana.

7 (j) Notwithstanding any provision of law to the contrary, for purposes of
8 sales or use taxation by any political subdivision, the term "sales of services" shall
9 not mean or include any funeral directing services as defined in Subparagraph (24)(r)
10 of this Section. Subject to approval by the House Committee on Ways and Means
11 and the Senate Committee on Revenue and Fiscal Affairs, the collector shall devise
12 a formula for the calculation of the tax.

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

27 (29) "Secretary" or "secretary of revenue" means the secretary of the
28 Department of Revenue for the state of Louisiana.

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

5 (31)(a) "Tangible personal property" means and includes personal property
6 which may be seen, weighed, measured, felt or touched, or is in any other manner
7 perceptible to the senses.

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

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

10 (ii)(aa) Platinum, gold, or silver bullion, that is valued solely upon its
11 precious metal content, whether in coin or ingot form.

12 (bb) Numismatic coins that have a sales price of no more than one thousand
13 dollars.

14 (cc) Numismatic coins sold at a national, statewide, or multi-parish
15 numismatic trade show.

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

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

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

1 to work products which consist of the creation, modification, updating, or licensing
2 of computer software.

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

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

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

16 (aa) A structure built to federal construction standards as defined in 42
17 U.S.C. 5402.

18 (bb) A residential structure built to the Louisiana State Uniform Construction
19 Code.

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

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

25 (iv) The term "tangible personal property" as applied to sales and use taxes
26 levied by a political subdivision shall include a new factory built home, for the
27 initial sale from a dealer to a consumer, but only to the extent that forty-six percent
28 of the retail sales price shall be so considered as "tangible personal property".

1 Thereafter, each subsequent resale of a factory built home shall not be considered as
2 "tangible personal property".

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

8 (g) The term "tangible personal property", for purposes of the payment of
9 sales and use taxes levied by political subdivisions, shall not include materials used
10 directly in the collection, separation, treatment, testing, and storage of blood by
11 nonprofit blood banks and nonprofit blood collection centers.

12 (h) The term "tangible personal property" for purposes of sales and use taxes
13 imposed by political subdivisions shall not include apheresis kits and leuko reduction
14 filters used by nonprofit blood banks and nonprofit blood collection centers.

15 (i) For purposes of sales and use tax imposed by political subdivisions of the
16 state without regard to the nature of the ownership of the ground, tangible personal
17 property shall not include other constructions permanently attached to the ground
18 which shall be treated as immovable property.

19 (j) A political subdivision whose boundaries are not coterminous with those
20 of the state may provide for a sales and use tax exclusion for machinery and
21 equipment as defined in and subject to the requirements of Paragraph (14) of this
22 Section which is purchased by a utility regulated by the Public Service Commission
23 or the council of the city of New Orleans.

24 (k) Solely for purposes of sales and use taxes imposed by political
25 subdivisions, the term "tangible personal property" shall not include newspapers.

26 (l) For purposes of sales and use taxes imposed by any political subdivision,
27 the term "tangible personal property" shall not include any property that would have
28 been considered immovable property prior to the enactment on July 1, 2008, of Act
29 No. 632 of the 2008 Regular Session of the Legislature.

1 (32) "Tax", "sales and use tax", and "sales tax" shall mean the sales and use
2 tax imposed by political subdivisions under the Constitution or laws of this state
3 authorizing the imposition of a sales and use tax.

4 (33) "Taxing authority" shall mean and include both the state and a statewide
5 political subdivision and any political subdivision of the state authorized under the
6 Constitution or laws of the state of Louisiana to levy and collect a sales and use tax,
7 unless the context indicates otherwise. For purposes of the Uniform Local Sales Tax
8 Code provided for in Chapter 2-D of this Subtitle, "taxing authority" shall mean any
9 political subdivision of the state authorized under the Constitution or laws of the
10 state of Louisiana to levy and collect a sales and use tax, except a statewide political
11 subdivision.

12 (34) "Taxing jurisdiction" shall mean the area within the physical boundaries
13 of the taxing authority.

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

23 (ii) The term "use", for purposes of sales and use taxes imposed by a political
24 subdivision on the use for rental of automobiles which take place on or after July 1,
25 1996, shall not include the purchase, the importation, the consumption, the
26 distribution, or the storage of tangible personal property to be leased or rented in an
27 arm's length transaction as tangible personal property. For purposes of the
28 imposition of the tax levied by any political subdivision of the state, for the period
29 beginning July 1, 1999, and ending on June 30, 2000, the term "use" shall not include

1 one-fourth of the cost price of any tangible personal property which is purchased,
2 imported, consumed, distributed, or stored and which is to be leased or rented in an
3 arm's length transaction in the form of tangible personal property. For purposes of
4 the imposition of the tax levied by any political subdivision of the state, for the
5 period beginning July 1, 2000, and ending on June 30, 2001, the term "use" shall not
6 include one-half of the cost price of any tangible personal property which is
7 purchased, imported, consumed, distributed, or stored and which is to be leased or
8 rented in an arm's length transaction in the form of tangible personal property. For
9 purposes of the imposition of the tax levied by any political subdivision of the state,
10 for the period beginning July 1, 2001, and ending on June 30, 2002, the term "use"
11 shall not include three-fourths of the cost price of any tangible personal property
12 which is purchased, imported, consumed, distributed, or stored and which is to be
13 leased or rented in an arm's length transaction in the form of tangible personal
14 property. Beginning July 1, 2002, for purposes of the imposition of the tax levied
15 by any political subdivision of the state, the term "use" shall not include the
16 purchase, the importation, the consumption, the distribution, or the storage of any
17 tangible personal property which is to be leased or rented in an arm's length
18 transaction in the form of tangible personal property.

19 (iii) The term "use", for purposes of sales and use taxes imposed by political
20 subdivisions on the use for rental automobiles which take place prior to July 1, 1996,
21 and for purposes of local sales and use taxes levied by political subdivisions, except
22 for any use for rental automobiles on or after July 1, 1996, shall include the purchase,
23 the importation, the consumption, the distribution, or the storage of tangible personal
24 property to be leased or rented in an arm's length transaction as tangible personal
25 property.

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

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

3 (ii) In the political subdivision of the principal location of the business if the
4 vehicle is purchased for commercial use, unless the vehicle purchased for
5 commercial use is assigned, garaged, and used outside of such political subdivision,
6 in which case the use shall be deemed a use in the political subdivision where the
7 vehicle is assigned, garaged, and used.

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

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

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

26 (iii) Notwithstanding any other provision of law to the contrary, and
27 notwithstanding the provisions of this Subparagraph, "use" shall include the exercise
28 of any right of ownership over the consumption, the distribution, and the storage for
29 use or consumption in this state of refinery gas, except the sale to another person,

1 whether at retail or wholesale, only if the refinery gas is ultimately consumed as an
2 energy source by the person who owns the facility in which it is created and is not
3 sold. Notwithstanding any other law to the contrary, the use of refinery gas shall be
4 taxed at the cost price value provided in Subparagraph (5)(f) of this Section. If
5 refinery gas, except for feedstock, is sold to another person, whether at retail, or
6 wholesale, such sale shall be taxable and the sales price value shall be as provided
7 for in Subparagraph (27)(d) of this Section. The provisions of this Item shall not
8 apply to feedstocks.

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

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

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

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

26 (g) Notwithstanding any provision of law to the contrary, for purposes of
27 sales and use taxation by any political subdivision, the term "use" shall not mean or
28 include any funeral directing services as defined in Subparagraph (24)(r) of this
29 Section.

1 (h) Solely for purposes of local sales and use taxes levied by any political
2 subdivision, the term "use" shall not include the exercise of any right of ownership
3 in or the distribution of telephone directories acquired by an advertising company
4 that is not affiliated with a provider of telephone services if the telephone directories
5 will be distributed free of charge to the recipients of the telephone directories.

6 (i) Solely for purposes of the imposition of sales and use taxes imposed by
7 a political subdivision, in the case of the sale or any other disposition by a dealer of
8 any cellular, PCS, or wireless telephone, any electronic accessories that are
9 physically connected with such telephones and personal communications devices
10 used in connection with the sale or use of mobile telecommunications services, as
11 defined in Subparagraph (24)(u) of this Section, the term "use" shall not include the
12 withdrawal, use, distribution, consumption, storage, donation, or any other
13 disposition of any such cellular, PCS, or wireless telephone, any electronic
14 accessories that are physically connected with such telephones and personal
15 communications devices by the dealer.

16 (j) For purposes of the imposition of sales and use taxes imposed or levied
17 by any political subdivision of the state, in the case of the sale or any other
18 disposition by a dealer of any cellular telephone, PCS telephone, wireless telephone,
19 or other wireless personal communication device that is used in connection with the
20 sale or use of mobile telecommunications services, as defined in Subparagraph
21 (24)(v) of this Section, or any electronic accessory that is physically connected with
22 any such telephone or personal communications device, the term "use" shall not
23 include the withdrawal, use, distribution, consumption, storage, donation, or any
24 other disposition of any such telephone or electronic accessory by the dealer.

25 (k)(i) For the purposes of sales and use taxes imposed or levied by any
26 political subdivision of the state, the term "use" shall not include the purchase of or
27 the exercise of any right or power over toys by a non-profit organization exempt
28 from federal taxation pursuant to Section 501(c)(3) of the Internal Revenue Code if

1 the sole purpose of the purchasing organization is to donate toys to minors and the
2 toys are, in fact, donated.

3 (ii) The exclusion provided for in this Subparagraph shall be subject to the
4 same conditions as are provided for in Subparagraph (24)(w) of this Section.

5 (l) For purposes of sales and use tax imposed by any political subdivision of
6 the state, the term "use" shall not mean or include the purchase, importation, storage,
7 distribution, or exportation of, or exercise of any right or power over, textbooks and
8 course-related software by a private postsecondary academic degree-granting
9 institution, accredited by a national or regional commission that is recognized by the
10 United States Department of Education and is licensed by the Board of Regents,
11 which institution has its main location within this state and offers only online
12 instruction, when all of 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 (m) Solely for purposes of sales and use tax imposed by any political
21 subdivision of the state, the term "use" shall not mean or include the purchase,
22 importation, storage, distribution or exercise of any right or power over
23 anthropogenic carbon dioxide used in a qualified tertiary recovery project approved
24 by the assistant secretary of the office of conservation of the Department of Natural
25 Resources pursuant to R.S. 47:633.4.

26 (36) "Use tax" includes the use, the consumption, the distribution, and the
27 storage as herein defined. No use tax shall be due to or collected by any political
28 subdivision on tangible personal property used, consumed, distributed, or stored for
29 use or consumption in such political subdivision if the sale of such property would

1 have been exempted or excluded from sales tax at the time such property became
2 subject to the taxing jurisdiction of the political subdivision.

3 (37) "Used directly" means used in the actual process of manufacturing or
4 manufacturing for agricultural purposes.

5 (38) With respect to the furnishing of telecommunications and ancillary
6 services, as used in this Chapter the following words, terms, and phrases have the
7 meaning ascribed to them in this Paragraph, unless the context clearly indicates a
8 different meaning:

9 (a) "Air-to-Ground Radiotelephone service" means a radio service, as that
10 term is defined in 47 CFR 22.99, in which common carriers are authorized to offer
11 and provide radio telecommunications service for hire to subscribers in aircraft.

12 (b) "Ancillary service" means a service that is associated with or incidental
13 to the provision of one or more telecommunications services, including but not
14 limited to conference bridging services, detailed telecommunications billing services,
15 directory assistance services, vertical services, and voice mail services.

16 (c) "Call-by-call basis" means any method of charging for
17 telecommunications services where the price is measured by individual calls.

18 (d) "Call center" means one or more locations that utilize
19 telecommunications services in one or more of the following activities: customer
20 services, soliciting sales, reactivating dormant accounts, conducting surveys or
21 research, fundraising, collection of receivables, receiving reservations, receiving
22 orders, or taking orders.

23 (e) "Communications channel" means a physical or virtual path of
24 communications over which signals are transmitted between or among customer
25 channel termination points.

26 (f) "Conference bridging service" means a service that links two or more
27 participants of an audio or video conference call and may include the provision of
28 a telephone number. "Conference bridging service" does not include any
29 telecommunications services used to reach the conference bridge.

1 (g) "Customer" means the person or entity that contracts with the seller of
2 telecommunications services. If the end user of the telecommunications service is
3 not the contracting party, the end user of the telecommunications service is the
4 customer of the telecommunications service, but only for the purpose of sourcing
5 sales of telecommunications services under R.S. 47:301.1(A). "Customer" does not
6 include a reseller of telecommunications service or for mobile telecommunications
7 service of a serving carrier under an agreement to serve the customer outside the
8 home service provider's licensed service area.

9 (h) "Customer channel termination point" means, in the context of a private
10 communications service, the location where the customer either inputs or receives
11 communications.

12 (i) "Detailed telecommunications billing service" means a service of
13 separately stating information pertaining to individual calls on a customer's billing
14 statement.

15 (j) "Directory assistance" means a service of providing telephone number or
16 address information, or both.

17 (k) "End user" means the person who utilizes the telecommunications
18 service. In the case of an entity, "end user" means the individual who utilizes the
19 service on behalf of the entity.

20 (l) "Home service provider" has the same meaning given to such term in
21 Section 124(5) of the Mobile Telecommunications Sourcing Act, P.L. 106-252, 4
22 U.S.C. 124(5).

23 (m) "International telecommunications service" means a telecommunications
24 service that originates or terminates in the United States and terminates or originates
25 outside the United States, respectively. The United States includes each of the fifty
26 United States, the District of Columbia, and each United States territory, or
27 possession.

1 (n) "Interstate telecommunications service" means a telecommunications
2 service that originates in one U.S. state, territory, or possession, and terminates in a
3 different U.S. state, territory, or possession.

4 (o) "Intrastate telecommunications service" means a telecommunications
5 service that originates in one U.S. state, territory or possession, and terminates in the
6 same U.S. state, territory, or possession.

7 (p) "Mobile telecommunications service" has the same meaning given to
8 such term in Section 124(7) of the Mobile Telecommunications Sourcing Act, P.L.
9 106-252, 4 U.S.C. 124(7).

10 (q) "Mobile wireless service" means a telecommunications service,
11 regardless of the technology used, whereby the origination or termination points, or
12 both, of the transmission, conveyance or routing are not fixed, including but not
13 limited to telecommunications services that are provided by a commercial mobile
14 radio service provider.

15 (r) "Place of primary use" means the street address representative of where
16 the customer's use of the telecommunications service primarily occurs, which must
17 be the residential street address or the primary business street address of the
18 customer. In the case of mobile telecommunications services, the place of primary
19 use must be within the licensed service area of the home service provider.

20 (s) "Postpaid calling service" means a telecommunications service obtained
21 by making a payment on a call-by-call basis either through the use of a credit card
22 or payment mechanism such as a bank card, travel card, credit card, or debit card, or
23 by charge made to a telephone number which is not associated with the origination
24 or termination of the telecommunications service. A postpaid calling service
25 includes a telecommunications service, except a prepaid wireless calling service, that
26 would be a prepaid calling service, except that the right provided is not exclusively
27 to access telecommunications services.

28 (t) "Prepaid calling service" means the right to access exclusively
29 telecommunications services, which must be paid for in advance and which enables

1 the origination of calls using an access number or authorization code, whether
2 manually or electronically dialed, and that is sold in predetermined units or dollars
3 of which the number declines with use in a known amount.

4 (u) "Prepaid wireless calling service" means a telecommunications service
5 that provides the right to utilize mobile wireless service as well as non-
6 telecommunications services, including the download of digital products delivered
7 electronically, content, and ancillary services, which must be paid for in advance and
8 which is sold in predetermined units or dollars of which the number declines with
9 use in a known amount.

10 (v) "Private communication service" means a telecommunications service
11 that entitles the customer to exclusive or priority use of a communications channel
12 or group of channels between or among termination points, regardless of the manner
13 in which such channel or channels are connected, and includes switching capacity,
14 extension lines, stations, and any other associated services that are provided in
15 connection with the use of such channel or channels.

16 (w) "Service address" means:

17 (i) The location of the telecommunications equipment to which a customer's
18 call is charged and from which the call originates or terminates, regardless of where
19 the call is billed or paid.

20 (ii) If the location in Item (i) of this Subparagraph is not known, "service
21 address" means the origination point of the signal of the telecommunications service
22 first identified by either the seller's telecommunications system or, in information
23 received by the seller from its service provider, where the system used to transport
24 such signals is not that of the seller.

25 (iii) If the location in both Items (i) and (ii) of this Subparagraph are not
26 known, "service address" means the location of the customer's place of primary use.

27 (x) "Telecommunications service" means the electronic transmission,
28 conveyance, or routing of voice, data, audio, video, or any other information or
29 signals to a point, or between or among points. "Telecommunications service"

1 includes such transmission, conveyance, or routing in which computer processing
2 applications are used to act on the form, code, or protocol of the content for purposes
3 of transmission, conveyance, or routing without regard to whether such service is
4 referred to as voice over Internet protocol service or is classified by the Federal
5 Communications Commission as an enhanced or value-added service.

6 "Telecommunications service" does not include any of the following:

7 (i) Data processing or information services which allow data to be generated,
8 acquired, stored, processed, or retrieved and delivered by an electronic transmission
9 to a purchaser where such purchaser's primary purpose for the underlying transaction
10 is the processed data or information.

11 (ii) Installation or maintenance of wiring or equipment on a customer's
12 premises.

13 (iii) Tangible personal property.

14 (iv) Advertising, including but not limited to directory advertising.

15 (v) Billing and collection services provided to third parties.

16 (vi) Internet access service.

17 (vii) Radio and television audio and video programming services, regardless
18 of the medium, including the furnishing of transmission, conveyance, and routing of
19 such services by the programming service provider. Radio and television audio and
20 video programming services shall include but not be limited to cable service as
21 defined in 47 U.S.C. 522(6) and audio and video programming services delivered by
22 commercial mobile radio service providers, as defined in 47 CFR 20.3.

23 (viii) Ancillary services.

24 (ix) Digital products delivered electronically, including but not limited to
25 software, music, video, reading materials, or ring tones.

26 (x) Prepaid calling service and prepaid wireless calling service.

27 (y) "Vertical service" means a service that is offered in connection with one
28 or more telecommunications services which offers advanced calling features that
29 allow customers to identify callers and to manage multiple calls and call connections.

1 C.(1) ~~R.S. 47:305(A)(1), "key words": direct sales of livestock, poultry, and~~
2 ~~other farm products.~~ The gross proceeds derived from the sale in this state of
3 livestock, poultry, and other farm products direct from the farm are exempted from
4 the tax levied by political subdivisions, provided that such sales are made directly
5 by the producers. When sales of livestock, poultry, and other farm products are made
6 to consumers by any person other than the producer, they are not exempted from the
7 tax imposed by political subdivisions.

8 (2) ~~R.S. 47:305(A)(3), "key words": the sale of agricultural commodities as~~
9 ~~a raw product.~~ Every agricultural commodity sold by any person, other than a
10 producer, to any other person who purchases not for direct consumption but for the
11 purpose of acquiring raw product for use or for sale in the process of preparing,
12 finishing, or manufacturing such agricultural commodity for the ultimate retail
13 consumer trade, shall be exempted from any and all provisions of the sales and use
14 tax imposed by a political subdivision, including payment of the tax applicable to the
15 sale, storage, use, transfer, or any other utilization of or handling thereof, except
16 when such agricultural commodity is actually sold as a marketable or finished
17 product to the ultimate consumer, and in no case shall more than one tax be exacted.
18 For the purposes of this Section, "agricultural commodity" means horticultural,
19 viticultural, poultry, farm and range products, and livestock and livestock products.

20 (3) ~~R.S. 47:305(A)(4), "key words": the purchase of feed and feed additives.~~
21 (a) The purchase of feed and feed additives for the purpose of sustaining animals
22 which are held primarily for commercial, business, or agricultural use shall be
23 exempted from the taxes levied by political subdivisions.

24 (b) For purposes of this Paragraph:

25 (i) "Commercial use" means the purchasing, producing, or maintaining of
26 animals, including breeding stock, for resale;

27 (ii) "Business use" means the keeping and maintaining of animals which are
28 used in performing services in conjunction with a business enterprise, such as sentry
29 dogs and rental horses;

1 (iii) "Agricultural use" means the maintaining of work animals and beasts of
2 burden which are utilized in the activity of producing crops or animals for market,
3 in the production of food for human consumption, in the production of animal hides
4 or other animal products for market, or in the maintaining of breeding stock for the
5 propagation of such agricultural use animals.

6 (c) This exemption shall not apply to the purchase of feed or feed additives
7 for animals kept primarily for personal, sporting, or other purposes, including but not
8 limited to purchases for pets of any kind or hunting dogs.

9 ~~(4) R.S. 47:305(B), "key words": farm products used by farmers.~~ For
10 purposes of the sales and use tax of political subdivisions, the "use tax," as defined
11 herein, shall not apply to livestock and livestock products, to poultry and poultry
12 products, to farm, range and agricultural products when produced by the farmer and
13 used by him and members of his family.

14 ~~(5) R.S. 47:305(C), "key words": returned motor vehicles.~~ For purposes of
15 the sales and use tax of political subdivisions, where a part of the cost price of a
16 motor vehicle is represented by a motor vehicle returned to the dealer's inventory,
17 the use tax is payable on the total cost price less the wholesale value of the article
18 returned.

19 ~~(6) R.S. 47:305(D)(1)(a), "key words": gasoline.~~ The sale at retail, the use,
20 the consumption, the distribution, and the storage to be used or consumed in the
21 taxing jurisdiction of gasoline is hereby specifically exempted from the tax imposed
22 by political subdivisions.

23 ~~(7) R.S. 47:305(D)(1)(b), "key words": steam.~~ The sale at retail, the use, the
24 consumption, the distribution, and the storage to be used or consumed in the taxing
25 jurisdiction of steam is hereby specifically exempted from the tax imposed by
26 political subdivisions.

27 ~~(8) R.S. 47:305(D)(1)(c), "key words": water.~~ The sale at retail, the use, the
28 consumption, the distribution, and the storage to be used or consumed in the taxing
29 jurisdiction of water, not including mineral water or carbonated water or any water

1 put in bottles, jugs or containers, all of which are not exempted, is hereby
2 specifically exempted from the tax imposed by political subdivisions.

3 (9) ~~R.S. 47:305(D)(1)(d), "key words": electric power or energy and fuel.~~
4 The sale at retail, the use, the consumption, the distribution, and the storage to be
5 used or consumed in the taxing jurisdiction of electric power or energy and any
6 materials or energy sources used to fuel the generation of electric power for resale
7 or used by an industrial manufacturing plant for self-consumption or cogeneration,
8 is hereby specifically exempted from the tax imposed by political subdivisions.

9 (11) ~~R.S. 47:305(D)(1)(f), "key words": farm fertilizer and containers. The~~
10 sale at retail, the use, the consumption, the distribution, and the storage to be used
11 or consumed in the taxing jurisdiction of fertilizer and containers used for farm
12 products when sold directly to the farmer is hereby specifically exempted from the
13 tax imposed by political subdivisions.

14 (12) ~~R.S. 47:305(D)(1)(g), "key words": natural gas. The sale at retail, the~~
15 use, the consumption, the distribution, and the storage to be used or consumed in the
16 taxing jurisdiction of natural gas is hereby specifically exempted from the tax
17 imposed by political subdivisions.

18 (13) ~~R.S. 47:305(D)(1)(h), "key words": boiler fuel except refinery gas. The~~
19 sale at retail, the use, the consumption, the distribution, and the storage to be used
20 or consumed in the taxing jurisdiction of all energy sources when used for boiler fuel
21 except refinery gas are hereby specifically exempted from the tax imposed by
22 political subdivisions.

23 (14) ~~R.S. 47:305(D)(1)(i), "key words": demonstrators. (a) The sale at retail,~~
24 the use, the consumption, the distribution, and the storage to be used or consumed
25 in the taxing jurisdiction of new trucks, new automobiles, new motorcycles, new
26 aircraft, and new boats, vessels, or other water craft withdrawn from stock or kept
27 in a dealer's inventory by factory authorized new truck, new automobile, new
28 motorcycle, new aircraft dealers, and factory authorized dealers of new boats,

1 vessels, or other water craft, for use as demonstrators are hereby specifically
2 exempted from the tax imposed by political subdivisions.

3 (b) The sale at retail, the use, the consumption, the distribution, and the
4 storage to be used or consumed in the taxing jurisdiction of used trucks and used
5 automobiles withdrawn from stock or kept in a dealer's inventory by new or used
6 motor vehicle dealers for use as demonstrators are hereby specifically exempted
7 from the tax imposed by political subdivisions.

8 (14.1) ~~R.S. 47:305(D)(1)(k), "key words": prosthetic devices.~~ Solely for the
9 purposes of the sales and use tax of political subdivisions, the sale to, or the purchase
10 by, an individual or by a medical service provider such as a physician, clinic,
11 surgical center, or other healthcare facility of a prosthetic device which is sold or
12 purchased with the intention of being personally used or consumed by individuals
13 pursuant to a prescription by a physician when the individual is covered by the state
14 of Louisiana Medicaid insurance program or a Medicaid insure program
15 administered by third party on behalf of the state of Louisiana is hereby specifically
16 exempted from the tax imposed by political subdivision.

17 (15) ~~R.S. 47:305(D)(1)(t), "key words": devices utilized or prescribed by~~
18 ~~dentists.~~ The sale at retail, the use, the consumption, the distribution, and the storage
19 to be used or consumed in the taxing jurisdiction of orthotic devices, prosthetic
20 devices, prostheses and restorative materials utilized by or prescribed by dentists in
21 connection with health care treatment or for personal consumption or use and any
22 and all dental devices used exclusively by the patient or administered exclusively to
23 the patient by a dentist or dental hygienist in connection with dental or health care
24 treatment are hereby specifically exempted from the tax imposed by political
25 subdivisions. Notwithstanding any other provision of law to the contrary, the
26 exemptions from the sales and use tax provided in this Paragraph shall be applicable
27 to any sales and use tax levied by any local governmental subdivision or school
28 board.

1 (16) ~~R.S. 47:305(D)(2), "key words": sales of meals.~~ (a) Sales of meals
2 furnished as follows shall be exempt:

3 (i) To the staff and students of educational institutions, including but not
4 limited to kindergartens, if the meals are consumed on the premises where
5 purchased, or if they are purchased in advance by students, faculty, or staff pursuant
6 to a meal plan sponsored by the institution or organization or purchased in advance
7 pursuant to any other payment arrangement sanctioned by the institution or
8 organization and generally available to students, faculty, and staff of the institution
9 or organization, regardless of where such meals are consumed.

10 (ii) To the staff and patients of hospitals and to the staff and residents of
11 nursing homes, adult residential care providers, and continuing care retirement
12 communities.

13 (iii) To the staff, inmates, and patients of mental institutions.

14 (iv) To the boarders of rooming houses.

15 (v) Occasional meals furnished to the public in educational, religious, or
16 medical organization facilities.

17 (b) Except as provided for in Item (a)(i) of this Paragraph, the furnishing of
18 such meals shall be exempt from the taxes imposed by this Chapter if the meals are
19 consumed on the premises where purchased.

20 (17) ~~R.S. 47:305(D)(4)(b), "key words": the procurement and administration~~
21 ~~of cancer and related chemotherapy prescription drugs used exclusively by the~~
22 ~~patient in his medical treatment.~~ Sales taxes authorized and imposed by any political
23 subdivision shall not apply to the procurement and administration of cancer and
24 related chemotherapy prescription drugs used exclusively by the patient in his
25 medical treatment when administered exclusively to the patient by a physician,
26 nurse, or other health care professional in a physician's office where patients are not
27 regularly kept as bed patients for twenty-four hours or more.

28 (18) ~~R.S. 47:305(D)(5)(a), "key words": the sale of prescription drugs under~~
29 ~~the pharmaceutical vendor program for Title XIX of the Social Security Act as~~

1 ~~administered by the Department of Health and Human Resources of the state of~~
 2 ~~Louisiana. (a) However sales taxes authorized and imposed by any school board,~~
 3 ~~municipality, or other local taxing authority shall not apply to the sale of prescription~~
 4 ~~drugs under the pharmaceutical vendor program for Title XIX of the Social Security~~
 5 ~~Act as administered by the Louisiana Department of Health of the state of Louisiana.~~
 6 Beginning January 1, 1999, such taxes shall not apply to the sale of such drugs under
 7 Title XXI of the Social Security Act as administered by such department.

8 (b) The administration of prescription drugs used exclusively by the patient
 9 in the medical treatment of various diseases or injuries when administered
 10 exclusively to the patient by a physician, nurse, or other health care professional in
 11 a physician's office where patients are not regularly kept as bed patients for twenty-
 12 four hours or more shall be a professional service.

13 (c) For the time after July 1, 1999, school boards, municipalities, and other
 14 local taxing authorities may by ordinance or resolution provide for the following:

15 (i) An exemption for the sale of prescription drugs administered as provided
 16 for in Subparagraph (b) of this Paragraph, or an exemption for the procurement and
 17 administration of chemotherapy drugs used exclusively by the patient in his medical
 18 treatment if administered exclusively to the patient by a physician, nurse, or other
 19 health care professional in a physician's office where patients are not regularly kept
 20 as bed patients for twenty-four hours or more.

21 (ii) An amnesty for any person who may have been responsible to impose,
 22 collect, and/or remit the tax previously imposed on the transactions provided for in
 23 Subparagraph (b) and (c) of this Paragraph prior to the time such exemption and/or
 24 amnesty is granted according to such reasonable terms and conditions as the
 25 respective school boards, municipalities and other local taxing authorities may adopt.

26 * * *

27 ~~(21) R.S. 47:305(D)(6), "key words": exemptions from the state sales and~~
 28 ~~use tax provided in R.S. 47:305 in existence as of the effective date of Act 205 of~~
 29 ~~1978, except as otherwise specifically provided in R.S. 47:305(D); the requirement~~

1 ~~concerning specifically providing in the title and body of any Act subsequent to the~~
2 ~~effective date of that Act that it is applicable to a political subdivision in order for~~
3 ~~such Act to be effective. The exemptions from the state sales and use tax provided~~
4 ~~in R.S. 47:305(D)(6) in existence as of the effective date of Act 205 of 1978 shall be~~
5 ~~applicable to any sales and use tax levied by any local governmental subdivision or~~
6 ~~school board except as otherwise specifically provided in R.S. 47:305(D). Without~~
7 ~~determining the validity of any exemptions placed in R.S. 47:305(D) subsequent to~~
8 ~~the effective date of Act 205 of 1978, all Acts after the 1991 Regular Session placing~~
9 ~~an exemption in R.S. 47:305(D) which is applicable to a political subdivision must,~~
10 ~~to be effective, specifically provide in the title and body of the bill that it is~~
11 ~~applicable to a political subdivision. The exemptions effective prior to January 1,~~
12 ~~2025 provided in R.S. 47:305(D)(1)(t) are hereby deemed to specifically comply~~
13 ~~with Act 205 of 1978.~~

14 (22) ~~R.S. 47:305(E), "key words": articles of tangible personal property~~
15 ~~imported into a taxing jurisdiction, or produced or manufactured in a taxing~~
16 ~~jurisdiction, for export, and for bona fide interstate commerce; the intention of any~~
17 ~~local ordinance and this Chapter that a tax be levied on the sale at retail, the use, the~~
18 ~~consumption, the distribution, and the storage to be used or consumed in the taxing~~
19 ~~jurisdiction, of tangible personal property after it has come to rest in the taxing~~
20 ~~jurisdiction and has become a part of the mass of property in the taxing jurisdiction.~~
21 It is not the intention of any taxing authority to levy a tax upon articles of tangible
22 personal property imported into this state, or produced or manufactured in this state,
23 for export; nor is it the intention of any taxing authority to levy a tax on bona fide
24 interstate commerce; however, nothing herein shall prevent the collection of the
25 taxes due on sales of tangible personal property into this state which are promoted
26 through the use of catalogs and other means of sales promotion and for which federal
27 legislation or federal jurisprudence enables the enforcement of the sales tax of a
28 taxing authority upon the conduct of such business. It is, however, the intention of
29 the taxing authorities to levy a tax on the sale at retail, the use, the consumption, the

1 distribution, and the storage to be used or consumed in this state, of tangible personal
2 property after it has come to rest in this state and has become a part of the mass of
3 property in this state. At such time as federal legislation or federal jurisprudence as
4 to sales in interstate commerce promoted through the use of catalogs and other
5 means of sales promotions enables the enforcement of Chapter 2 of this Subtitle, or
6 any other law or local ordinance imposing a sales tax against vendors that have no
7 other nexus with the taxing jurisdiction, the following provisions shall apply to such
8 sales on which sales and use tax would not otherwise be collected.

9 (23) ~~R.S. 47:305(F), "key words": broadcasters or exhibit rights.~~ The sales,
10 use and lease taxes imposed by political subdivisions shall not apply to the amounts
11 paid by radio and television broadcasters for the right to exhibit or broadcast
12 copyrighted material and the use of film, video or audio tapes, records or any other
13 means supplied by licensors thereof in connection with such exhibition or broadcast
14 and the sales and use tax shall not apply to licensors or distributors thereof.

15 (24) ~~R.S. 47:305(G), "key words": home renal dialysis machines.~~ The sales,
16 use, and lease taxes imposed by political subdivisions shall not apply to the purchase
17 or rental by private individuals of machines, parts therefor, and materials and
18 supplies which a physician has prescribed for home renal dialysis.

19 (25) ~~R.S. 47:305(H), "key words": demonstrators.~~ "Demonstrators" as used
20 in Paragraph (14) of this Subsection for purposes of the sales and use tax levied by
21 all political subdivisions shall mean all of the following:

22 (a) New and used trucks and automobiles for which dealer inventory plates
23 may be obtained pursuant to R.S. 47:473, and new aircraft titled in the dealer's name
24 for use as demonstrators which are kept primarily on the dealer's premises during
25 normal business hours and which are available for demonstration purposes.
26 However, the occasional use of a demonstrator by authorized personnel of the dealer
27 shall not disqualify such demonstrator from the exemption herein designated.

28 (b) New boats, vessels, or other water craft, hereafter, "boats," which comply
29 with all the following:

1 (i) They are registered in a boat, vessel, or water craft dealer's name with the
2 appropriate agency.

3 (ii) They are reported by the dealer to the department as demonstrators and
4 are clearly identified as demonstrators in the manner required by the department.

5 (iii) They are used by those designated by such dealer for any activity which
6 results in the advertisement, promotion of sales, or demonstration of the qualities of
7 the boat for the purpose of increasing sales of such boats; provided that such use
8 does not occur on more than six consecutive days and does not occur on more than
9 twelve days in any calendar month. The dealer shall keep such logs or other records
10 of such use as shall be required by the department.

11 (iv) They are ultimately sold at retail.

12 (26) R.S. 47:305(I), "key words": drilling rigs and component parts. The
13 sales and use taxes imposed by any political subdivisions shall not apply to the labor,
14 or sale of materials, services, and supplies, used for repairing, renovating or
15 converting of any drilling rig, or machinery and equipment which are component
16 parts thereof, which is used exclusively for the exploration or development of
17 minerals outside the territorial limits of the state in Outer Continental Shelf waters.
18 For the purposes of this Paragraph, "drilling rig" means any unit or structure, along
19 with its component parts, which is used primarily for drilling, workover, intervention
20 or remediation of wells used for exploration or development of minerals. For
21 purposes of this Paragraph, "component parts" means any machinery or equipment
22 necessary for a drilling rig to perform its exclusive function of exploration or
23 development of minerals.

24 D.(1) R.S. 47:305.1, "key words": property which becomes component parts
25 of ships, vessels, or barges and for materials and supplies purchased for vessels
26 operating exclusively in foreign or interstate coastwise commerce. (a) The tax
27 imposed by political subdivisions shall not apply to sales of materials, equipment,
28 and machinery which enter into and become component parts of ships, vessels, or
29 barges, including commercial fishing vessels, drilling ships, or drilling barges, of

1 fifty tons load displacement and over, built in Louisiana nor to the gross proceeds
2 from the sale of such ships, vessels, or barges when sold by the builder thereof.

3 (b) The taxes imposed by political subdivisions shall not apply to materials
4 and supplies purchased by the owners or operators of ships, barges, or vessels,
5 including drilling ships, operating exclusively in foreign or interstate coastwise
6 commerce, where such materials and supplies are loaded upon any such ship, barge,
7 or vessel for use or consumption in the maintenance and operation thereof; nor to
8 repair services performed upon such ships, barges, or vessels operating exclusively
9 in foreign or interstate coastwise commerce; nor to the materials and supplies used
10 in such repairs where such materials and supplies enter into and become a
11 component part of such ships, barges, or vessels; nor to laundry services performed
12 for the owners or operators of such ships, barges, or vessels operating exclusively in
13 foreign or interstate coastwise commerce, where the laundered articles are to be used
14 in the course of the operation of such ships, barges, or vessels.

15 (c)(i) For purposes of this Paragraph, the term "foreign or interstate coastwise
16 commerce" shall mean and include trade, traffic, transportation, or movement of
17 passengers or property by, in, or on a ship, barge, or vessel, including a drilling ship:

18 (aa) Between a point in one state and a point outside the territorial
19 boundaries of such state;

20 (bb) Between points in the same state where the trade, traffic, transportation,
21 or movement of passengers or property traverses through a point outside of the
22 territorial boundaries of such state;

23 (cc) At a point in or between points in the same state as part of or in
24 connection with the business of providing or delivering materials, equipment, fuel,
25 supplies, crew, repair services, laundry services, dredging waterways services,
26 stevedoring services, other loading or unloading services, or ship, barge, or vessel
27 movement services to or for ships, barges, or vessels, including drilling ships, that
28 are operating in foreign or interstate coastwise commerce as defined in this
29 Subparagraph; or

1 (dd) At a point in or between points in the same state when such trade,
2 traffic, transportation, or movement of passengers or property is part of or consists
3 of one or more segments of trade, traffic, transportation, or movement of passengers
4 or property that either (I) follows movement of passengers or property into or within
5 the state from a point beyond the territorial boundaries of such state, (II) precedes
6 movement of the passengers or property from within the state to a point outside the
7 territorial boundaries of such state, or (III) is part of a stream of trade, traffic,
8 transportation, or movement of passengers or property originating or terminating
9 outside the territorial boundaries of such state or otherwise in foreign or interstate
10 coastwise commerce, as defined in this Subparagraph.

11 (ii) The term "foreign or interstate coastwise commerce" shall not include
12 intrastate commerce, which, for purposes of this Paragraph, shall mean any trade,
13 traffic, transportation, or movement of passengers or property in any state that is not
14 described in the term "foreign or interstate coastwise commerce" as defined in this
15 Paragraph.

16 (iii) For purposes of this Paragraph, the term "component part" or
17 "component parts" shall mean and include any item or article of tangible personal
18 property that is:

19 (aa) Incorporated into, attached to, or placed upon a ship, vessel, barge,
20 commercial fishing vessel, drilling ship, or drilling barge (collectively referred to in
21 this Paragraph as "vessel" or "vessels") during either (i) the construction of such
22 vessel in the case of the exemption provided in Subparagraph (a) of this Paragraph,
23 or (ii) the repair of such vessel in the case of the exemption provided for in
24 Subparagraph (b) of this Paragraph;

25 (bb) Required for the navigation or intended commercial operation of a
26 vessel; or

27 (cc) Required to obtain certification or approvals from the United States
28 Coast Guard or any regulatory agency or classification society with respect to a
29 vessel.

1 (iv) For purposes of this Paragraph and except with respect to any gaming
2 equipment, as defined in R.S. 27:44, the determination of whether any item or article
3 of tangible personal property is a component part shall be made without regard to
4 any provision of the Louisiana Civil Code.

5 (v) The provisions of Item (iii) of this Subparagraph shall not apply to any
6 gaming equipment as defined in R.S. 27:44.

7 (d) The exemption from the sales tax provided in this Paragraph shall be
8 applicable to any sales tax levied by a local governmental subdivision or school
9 board.

10 ~~(2) R.S. 47:305.3, "key words": seeds used in planting crops.~~ The tax
11 imposed by political subdivisions shall not apply to the sale at retail of seeds to a
12 commercial farmer as defined in R.S. 47:337.6 for use in the planting of any kind of
13 crops. The secretary may promulgate rules and regulations designed to carry out the
14 provisions of this Paragraph, and any transaction not strictly in compliance with such
15 rules and regulations shall lose the exemption provided in this Paragraph.

16 ~~(3) R.S. 47:305.6, "key words": Little Theater tickets.~~ The sales tax imposed
17 by political subdivisions shall not apply to the sale of admission tickets by Little
18 Theater organizations.

19 ~~(4) R.S. 47:305.7, "key words": tickets to musical performances of nonprofit~~
20 ~~musical organizations.~~ The sales tax imposed by political subdivisions shall not
21 apply to the sale of admission tickets by domestic nonprofit corporations or by any
22 other domestic nonprofit organization known as a symphony organization or as a
23 society or organization engaged in the presentation of musical performances;
24 provided that this Paragraph shall not apply to performances given by out-of-state
25 or nonresident symphony companies, nor shall this Paragraph apply to any
26 performance intended to yield a profit to the promoters thereof.

27 ~~(5) R.S. 47:305.8, "key words": pesticides used for agricultural purposes.~~
28 The tax imposed by political subdivisions shall not apply to sale at retail to a
29 commercial farmer as defined in R.S. 47:337.6 of pesticides used for agricultural

1 purposes, including particularly but not by way of limitation, insecticides, herbicides
2 and fungicides.

3 (6) ~~R.S. 47:305.9, "key words": motion picture film rental.~~ The sales and use
4 taxes imposed by any parish or municipality within the state shall not apply to the
5 amount paid by the operator of a motion picture theatre to a distributing agency for
6 use of films of photoplay.

7 (7) ~~R.S. 47:305.10, "key words": property~~ Property purchased for first use
8 outside the state shall be exempt from sales and use tax levied by political
9 subdivisions pursuant to R.S. 47:305.10.

10 (8) ~~R.S. 47:305.11, "key words": contracts~~ Contracts entered into prior to
11 and within ninety days of a tax levy shall be exempt from sales and use tax levied by
12 political subdivisions pursuant to R.S. 47:305.11.

13 (9) ~~R.S. 47:305.13, "key words": admissions to entertainments furnished by~~
14 ~~certain domestic nonprofit corporations.~~ The sales tax imposed by political
15 subdivisions shall not apply to the sale of admissions to entertainment events
16 furnished by recognized domestic nonprofit charitable, educational and religious
17 organizations when the entire proceeds from such sales, except for necessary
18 expenses connected with the entertainment events, are used for the purposes for
19 which the organizations furnishing the events were organized.

20 (10) ~~R.S. 47:305.14, "key words": nonprofit organizations and certain~~
21 ~~newspapers.~~ (a)(i)(aa) The sales and use taxes imposed by political subdivisions
22 shall not apply to sales of tangible personal property at, or admission charges for,
23 outside gate admissions to, or parking fees associated with, events sponsored by
24 domestic, civic, educational, historical, charitable, fraternal, or religious
25 organizations, which are nonprofit, when the entire proceeds, except for necessary
26 expenses such as fees paid for guest speakers, chair and table rentals, and food and
27 beverage utility related items connected therewith, are used for educational,
28 charitable, religious, or historical restoration purposes, including the furtherance of
29 the civic, educational, historical, charitable, fraternal, or religious purpose of the

1 organization. In addition, newspapers published in this state by religious
2 organizations shall also be exempt from such taxes, provided that the price paid for
3 the newspaper or a subscription to the newspaper does not exceed the cost to publish
4 such newspaper.

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

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

24 (iii) This Paragraph shall not be construed to exempt any organization or
25 activity from the payment of sales or use taxes otherwise required by law to be made
26 on purchases made by these organizations.

27 (vi) This Paragraph shall not be construed to exempt regular commercial
28 ventures of any type such as bookstores, restaurants, gift shops, commercial flea
29 markets, and similar activities that are sponsored by organizations qualifying

1 hereunder which are in competition with retail merchants. However, the exemption
2 provided in this Paragraph shall apply to thrift shops located on military installations,
3 the operation of which is deemed to be an "event" for purposes of this exemption.

4 (v) Notwithstanding any other provision of law to the contrary, for purposes
5 of political subdivision sales and use tax, "sales and use" shall not mean the purchase
6 of tangible personal property or taxable services, by nonprofit literacy organizations
7 in compliance with the court order from the Dodd Brumfield decision and Section
8 501(c)(3) of the Internal Revenue Code, limited to books, workbooks, computers,
9 computer software, films, videos, and audio tapes.

10 (b) This sponsorship of any event by any organization applying for an
11 exemption hereunder must be genuine. Sponsorship will not be genuine in any case
12 in which exemption from taxation is a major consideration leading to such
13 sponsorship.

14 (c)(i) An annual exemption certificate shall be obtained from the collector
15 of revenue, under such regulations as he shall prescribe, in order for nonprofit
16 organizations to qualify for the exemption provided in this Section. Any event held
17 pursuant to such annual exemption certificate shall be subject to review for
18 compliance with the provisions of law and regulations governing this exemption.

19 (ii) In the event the collector of revenue denies tax exempt status under this
20 Paragraph, the organization may appeal such ruling to the Board of Tax Appeals,
21 which may overrule the collector of revenue and grant tax exempt status if the Board
22 of Tax Appeals determines that the denial of tax exempt status by the collector of
23 revenue was arbitrary, capricious, or unreasonable.

24 (iii) However, any organization that endorses any candidate for political
25 office or otherwise is involved in political activities shall not be eligible for the
26 exemption herein provided.

27 (d) Notwithstanding any other provision of law to the contrary, the proper
28 venue in any proceeding to determine the tax exempt status under the provisions of
29 this Paragraph shall be the parish in which the activity for which the tax exempt

1 status is claimed took place, or any parish in which the taxpayer has a corporate
2 presence, to be determined at the discretion of the taxpayer.

3 (11) ~~R.S. 47:305.15, "key words": sales or purchases by blind persons.~~ (a)
4 The sales and use taxes levied and the collection, reporting, and remittance thereof
5 required by political subdivisions shall not apply to sales or purchases made by blind
6 persons in the conduct of a business which is exempt from license taxes by R.S.
7 23:3032 and 3033.

8 (b) In addition, the sales and use taxes imposed by any political subdivision
9 shall not apply to any nonprofit organization which utilizes public funds for not less
10 than seventy-five percent of its operational funding and which primarily operates to
11 provide funding for and training to blind persons.

12 (12) ~~R.S. 47:305.16, "key words": cable television installation and repair.~~
13 The sales and use taxes imposed by any political subdivision shall not apply to
14 necessary fees incurred in connection with the installation and service of cable
15 television. Such exemption shall not apply to purchases made by any cable
16 television system, but shall only apply to funds collected from the subscriber for
17 regular service, installation and repairs.

18 (13) ~~R.S. 47:305.17, "key words": income from coin-operated washing and~~
19 ~~drying machines in a commercial laundromat.~~ Sales taxes imposed by any parish,
20 municipality, school board, or other political subdivision, within the state, shall not
21 apply to or be imposed upon the income on receipts from any coin-operated washing
22 or drying machine in a commercial laundromat. A commercial laundromat, for
23 purposes of this Paragraph, is defined to be any establishment engaged solely in the
24 business of furnishing washing or drying laundry services by means of coin-operated
25 machines.

26 (14) ~~R.S. 47:305.19, "key words": leased vessels used in the production of~~
27 ~~minerals.~~ The taxes imposed by political subdivisions shall not apply to those vessels
28 which are leased for use offshore beyond the territorial limits of this state for the

1 production of oil, gas, sulphur, and other minerals or for the providing of services to
2 those engaged in such production.

3 (16) ~~R.S. 47:305.28, "key words": gasohol.~~ (a) The sales or use taxes
4 imposed by any parish or municipality or other local entity within the state shall not
5 apply to the sale at retail, the use, the consumption, the distribution, and the storage,
6 to be used or consumed in this state, of any motor fuel known as gasohol, containing
7 a blend of at least ten percent alcohol, if the alcohol therein has been produced,
8 fermented, and distilled in Louisiana from agricultural commodities. Alcohol to be
9 used in gasohol must have been rendered unsuitable for human consumption at the
10 time of its manufacture or immediately thereafter.

11 (b) Gasohol, in order to qualify for this exemption must have been dyed a
12 color which shall be different and distinct from other gasolines. The secretary of the
13 Department of Revenue shall designate the color used and supplied by the dealer in
14 the manufacture of gasohol.

15 (17) ~~R.S. 47:305.38, "key words": sheltered workshops or supported~~
16 ~~employment providers as defined in R.S. 39:1604.4, for persons with intellectual~~
17 ~~disabilities.~~ The sale at retail, the use, the consumption, the distribution, and the
18 storage for use or consumption in this state of each item or article of tangible
19 personal property by a sheltered workshop or a supported employment provider as
20 defined in R.S. 39:1604.4 for persons with intellectual disabilities licensed by the
21 Department of Children and Family Services as a day developmental training center
22 for persons with intellectual disabilities shall not be subject to the sales and use taxes
23 levied by any political subdivision.

24 (18) ~~R.S. 47:305.41, "key words": Ducks Unlimited and Bass Life.~~ The sales
25 and use tax imposed by local governmental subdivisions or school boards shall not
26 apply to either the sales of Ducks Unlimited or Bass Life or any of their chapters or
27 any rental or purchase of property or services by Ducks Unlimited or Bass Life or
28 any of their chapters.

1 ~~(19) R.S. 47:305.43, "key words": nonprofit organizations dedicated to the~~
2 ~~conservation of fish or migratory waterfowl:~~ (a) The sales and use taxes imposed by
3 political subdivisions shall not apply to any sales made by a nonprofit organization
4 dedicated exclusively to the conservation of fish or the migratory waterfowl of the
5 North American Continent and to the preservation and conservation of wetland
6 habitat of such waterfowl, when the entire proceeds, except for the necessary
7 expenses connected therewith, are used in furtherance of the organization's exempt
8 purpose. The exemption provided herein shall not apply to any event intended to
9 yield a profit to the promoter or to any individual contracted to provide services or
10 equipment, or both, for the event.

11 (b) Purchases by any organization qualifying hereunder shall be exempt from
12 the payment of any sales or use taxes imposed by political subdivisions.

13 (c) This Subparagraph shall not be construed to exempt sales or purchases
14 made in connection with regular commercial ventures of any type such as
15 bookstores, restaurants, gift shops, commercial flea markets, or similar activities that
16 are sponsored by organizations qualifying hereunder which are in competition with
17 retail merchants.

18 (d) Sponsorship of any event by any organization applying for an exemption
19 hereunder must be genuine. Sponsorship shall not be genuine in any case in which
20 exemption from taxation is a major consideration leading to such sponsorship.

21 (e) An exemption certificate must be obtained from the secretary of the
22 Department of Revenue, under such regulations as he shall prescribe, in order for a
23 nonprofit organization to qualify for the exemption provided in this Paragraph.

24 ~~(20) R.S. 47:305.44, "key words": raw materials used in the printing process:~~
25 (a) The sales and use taxes imposed by any political subdivision shall not apply to
26 purchases and sales of the following, including all chemical supplies necessary to
27 produce such items whether manufactured by a printer or purchased from a
28 subcontractor:

29 (i) Artwork.

- 1 (ii) Blankets and bars.
- 2 (iii) Chemicals.
- 3 (iv) Color separations.
- 4 (v) Dies.
- 5 (vi) Film, including negatives.
- 6 (vii) Offset plates.
- 7 (viii) Press proofs and photomechanical proofs.
- 8 (ix) Layouts.
- 9 (x) Typesetting.
- 10 (xi) Rubber plates.
- 11 (xii) Paper.
- 12 (xiii) Ink.

13 (b) The exemption provided in Subparagraph (a) shall apply on and after the
14 effective date of Act No. 847 of the 1985 Regular Session.

15 ~~(21) R.S. 47:305.45, "key words": per diem or car hire on freight cars, piggy-~~
16 ~~back cars, and rolling stock.~~ (a) The sales, use, and lease tax imposed by political
17 subdivisions shall not apply to:

18 (i) Hourly, daily, or periodic mileage or other charges referred to as "per
19 diem or car hire" on freight cars and other rolling stock when such charges are paid
20 by reason of the presence of freight cars and other rolling stock owned by another
21 on the tracks of the taxpayer;

22 (ii) Piggy-back trailers or containers when brought into or operated as
23 piggy-back trailers or containers in this state; and

24 (iii) Rolling stock, such as engines, switch engines, freight cars, and
25 machinery owned, operated, or leased by a railroad or any other person, firm, or
26 corporation.

27 (b) The exemptions from the sales, use, and lease tax provided in this
28 Paragraph shall be applicable to any sales, use, and lease tax levied by any local
29 government subdivision or school board.

1 ~~(22) R.S. 47:305.46, "key words": purchases with United States Department~~
2 ~~of Agriculture Food Stamp Coupons; purchases made under the Women, Infants, and~~
3 ~~Children's Program. (a) The sales and use taxes imposed by any political subdivision~~
4 ~~shall not apply to the purchase of the following items:~~

5 ~~(i) Eligible food items, as defined by the United States Department of~~
6 ~~Agriculture regulations for the Food Stamp Program, when such food items are~~
7 ~~purchased with United States Food Stamp Coupons.~~

8 ~~(ii) Eligible food items authorized for purchase under the Women, Infants,~~
9 ~~and Children's (WIC) Program as administered by the Louisiana Department of~~
10 ~~Children and Family Services, when such items are purchased with WIC Program~~
11 ~~Vouchers.~~

12 ~~(b) The exemptions granted pursuant to this Paragraph shall remain in effect~~
13 ~~as to each program only until applicable federal law, rules, or regulations permit the~~
14 ~~levy and collection of sales and use taxes on those exempted items without~~
15 ~~jeopardizing the contribution of funds by the federal government to such program.~~

16 ~~(23) R.S. 47:305.47, "key words": pharmaceutical samples distributed~~
17 ~~without charge. The sales and use tax imposed by political subdivisions shall not~~
18 ~~apply to pharmaceutical samples approved by the United States Food and Drug~~
19 ~~Administration which are manufactured in the state or imported into the state for~~
20 ~~distribution without charge to physicians, dentists, clinics, or hospitals.~~

21 ~~(24) R.S. 47:305.49, "key words": catalog distribution. Notwithstanding any~~
22 ~~provision of law to the contrary, no sales or use tax shall be imposed by political~~
23 ~~subdivision on the value of catalogs distributed, or intended for distribution in the~~
24 ~~state, without charge to the recipient.~~

25 ~~(25) R.S. 47:305.50, "key words": vehicles used in interstate commerce; rail~~
26 ~~rolling stock sold or leased in this state; railroad ties. (a)(i) The sales and use tax~~
27 ~~imposed by any local political subdivisions shall not apply to trucks with a gross~~
28 ~~weight of twenty-six thousand pounds or more and to trailers if such trucks and~~
29 ~~trailers are used at least eighty percent of the time in interstate commerce and whose~~

1 activities are subject to the jurisdiction of the United States Department of
2 Transportation. The determination of whether a truck is used at least eighty percent
3 of the time in interstate commerce shall be based solely on the actual mileage of such
4 truck; however, no truck shall have more than twenty percent Louisiana intrastate
5 miles.

6 (ii)(aa) The sales and use tax imposed by any political subdivisions shall not
7 apply to the purchase, use, or lease of a qualifying truck or to the purchase, use, or
8 lease of a qualifying trailer purchased, imported, or leased, with or without a
9 qualifying truck, for use with a qualifying truck.

10 (bb) For purposes of this Item, a qualifying truck shall meet the following
11 requirements:

12 (I) Be registered as a Class 1 vehicle as defined in R.S. 47:462 and shall have
13 a registered gross weight as defined in R.S. 47:451 of at least eighty thousand
14 pounds.

15 (II) Be subject to the jurisdiction of the United States Department of
16 Transportation.

17 (III) Will be registered or is registered with apportioned plates through the
18 International Registration Plan or will be issued or is issued a special permit
19 according to the provisions of R.S. 32:387(J) from the Louisiana Department of
20 Transportation and Development. In cases of issuance of a special permit pursuant
21 to the provisions of R.S. 32:387(J), the qualifying truck shall engage in no less than
22 two hundred intermodal container moves per year regardless of whether such moves
23 require a special permit. In the year of acquisition, sale, disposal, or destruction of
24 the qualifying truck, the intermodal container moves per year requirement shall be
25 prorated for the portion of the year the qualifying truck was owned, operated, or
26 owned and operated by the taxpayer.

27 (cc) For purposes of this Item, a qualifying trailer shall be a trailer which is
28 subject to the jurisdiction of the United States Department of Transportation.

1 (iii) The secretary shall promulgate rules and regulations in accordance with
2 the Administrative Procedure Act, subject to oversight by the House Ways and
3 Means Committee and the Senate Revenue and Fiscal Affairs Committee, to
4 implement the provisions of this Subparagraph, including rules and regulations
5 providing for the administration of audits, audit procedures, and the documents a
6 taxpayer must retain in order to document the tax exemption authorized by this
7 Subparagraph.

8 (iv) Notwithstanding the provisions of any other law to the contrary, prior
9 to the commencement of an audit or investigation for purposes of determining the
10 correct amount of the tax exemption, and prior to an examination or investigation of
11 the place of business and the books, records, papers, vouchers, accounts, and
12 documents of any taxpayer, the auditor shall submit written justification of such
13 audit or investigation to the secretary of the Department of Revenue. The secretary
14 shall approve the scope of action of the department. No audit or investigation shall
15 proceed without approval by the secretary. However, there shall be no approval
16 from the secretary necessary for a political subdivision to audit, examine, or
17 investigate for the purpose of determining the correct amount of the tax exemption.

18 (v) During a gubernatorially declared state of emergency, if the declared
19 emergency or related relief efforts of a taxpayer who is eligible for an exemption
20 according to the provisions of this Subparagraph undermines the ability of such
21 taxpayer to comply with the provisions of this Subparagraph, the secretary shall
22 waive the requirements of this Subparagraph.

23 (vi) For purposes of this Subparagraph, the terms "trucks" and "trailers" shall
24 have the meanings ascribed to the terms truck, trailer, road tractor, semitrailer,
25 tandem truck, tractor, and truck-tractor in R.S. 47:451.

26 (b) The sales and use tax imposed by any local political subdivisions shall
27 not apply to contract carrier buses if such buses are used at least eighty percent of the
28 time in interstate commerce.

1 (c)(i) For purposes of this Paragraph, the term "bus" shall mean a
2 commercial vehicle with a minimum passenger capacity of thirty-five persons and
3 a minimum gross vehicle weight of twenty-six thousand pounds.

4 (ii) For purposes of this Paragraph, the term "contract carrier" shall mean any
5 person transporting, other than as a common carrier, persons for hire, charge, or
6 compensation, over any highway of this state, or however utilizing said public
7 facilities for private gain to be realized chiefly out of such transportation service.

8 (d) The deputy secretary of public safety services of the Department of
9 Public Safety and Corrections is hereby authorized to promulgate such forms and
10 rules as may be necessary to implement the provisions of this Paragraph.

11 (e)(i) The sales and use tax imposed by any local political subdivisions or
12 statewide taxing authorities shall not apply to rail rolling stock sold or leased in this
13 state.

14 (ii) The sales and use tax imposed by the state of Louisiana or statewide
15 taxing authorities shall not apply to parts or services used in the fabrication,
16 modification, or repair of rail rolling stock. A political subdivision may, by
17 ordinance, provide that sales and use tax imposed by the political subdivision shall
18 not apply to parts or service used in the fabrication, modification, or repair of rail
19 rolling stock.

20 (f) The sales and use tax imposed by any political subdivisions shall not
21 apply to the "sales price" or "cost price" of railroad ties that a railroad purchases
22 prior to long-term preservative treatment and installs into the railroad's track system
23 outside the taxing jurisdiction of the political subdivision.

24 ~~(26) R.S. 47:305.51, "key words": utilities used by steelworks and blast~~
25 ~~furnaces:~~ (a) The sales and use tax imposed by political subdivisions shall not apply
26 to sales or purchases of utilities used by steelworks, blast furnaces, coke ovens, or
27 rolling mills with more than one hundred twenty-five full-time employees, which are
28 classified by the Louisiana Workforce Commission within Sector 331111 of the
29 North American Industry Classification System as it existed in 2002. However, this

1 exemption shall not apply to utilities used in and around the production of coke in
2 oil refineries and the use of coke in oil refineries and other chemical processes.

3 (b) For purposes of this exemption, the term "utilities" shall mean sales of
4 steam, water, electric power or energy, and natural gas.

5 (27)(a) R.S. 47:305.53, "key words": sickle cell disease organizations. (i)
6 The sale at retail, the rental or lease, the use, the consumption, the distribution, and
7 the storage for use or consumption in this state of each item or article of tangible
8 personal property, or any taxable service, by a nonprofit organization established
9 prior to 1975 which conducts a comprehensive program on sickle cell disease which
10 includes but is not limited to free education, free testing, free counseling, and free
11 prescriptions, transportation, and food packages for sickle cell patients shall not be
12 subject to the sales and use taxes levied by political subdivisions.

13 (ii)(aa) An exemption certificate shall be obtained from the secretary, under
14 such regulations as she shall prescribe, in order for a nonprofit organization to
15 qualify for the exemption provided in this Item.

16 (bb) In the event the secretary denies tax exempt status under this Item, the
17 organization may appeal such ruling to the Louisiana Board of Tax Appeals, which
18 may overrule the secretary and grant tax exempt status to the organization.

19 (b) R.S. 47:305.59, "key words": charitable residential construction. The sales
20 and use tax imposed by political subdivisions shall not apply to the sale of
21 construction materials to Habitat for Humanity affiliates, Fuller Center for Housing
22 covenant partners located in this state, or the Make it Right Foundation when such
23 materials are intended for use in constructing new residential dwellings in this state.

24 * * *

25 (29) R.S. 47:305.61, "key words": certain water conservation equipment;
26 Sparta Groundwater Conservation District. (a) The sales and use tax imposed by
27 political subdivisions shall not apply to sales of water conservation equipment for use
28 within the Sparta Groundwater Conservation District. Only persons defined as
29 "users" under R.S. 38:3087.133(7) shall be eligible for this exemption.

1 (b) Any person seeking to qualify for this exemption must apply for an
2 exemption certificate with the secretary of the Department of Revenue. Prior to
3 application for an exemption certificate, the applicant must receive certification from
4 the commissioner of conservation that the equipment qualifies as water conservation
5 equipment. The certification by the commissioner of conservation shall be attached
6 by the board to the application for the exemption certificate. In accordance with the
7 powers defined in R.S. 38:3087.136, the board shall determine the types of equipment
8 which qualify as water conservation equipment, provided that such equipment must
9 reduce water consumption by at least twenty-five percent.

10 (31) ~~R.S. 47:305.68, "key words": Fore!Kids Foundation.~~ The sales and use
11 tax imposed by any political subdivisions shall not apply to the purchase, use, or
12 rental of materials, services, property, and supplies, by the Fore!Kids Foundation,
13 whose primary purpose is to fund children's service organizations from monies raised
14 from golfing events.

15 (32) ~~R.S. 47:305.70, "key words": certain construction materials sold to the~~
16 ~~"Make It Right Foundation".~~ The sales and use tax imposed by any political
17 subdivision shall not apply to the sale of construction materials to the "Make It Right
18 Foundation" when such materials are intended for use in constructing new residential
19 dwellings in this state.

20 (33) ~~R.S. 47:305.71, "key words": certain construction materials sold to the~~
21 ~~"St. Bernard Project, Inc."~~ The sales and use tax imposed by any political subdivision
22 as defined in R.S. 47:337.6 shall not apply to the sale of construction materials to the
23 St. Bernard Project, Inc. when such materials are intended for use in rehabilitating
24 existing residential dwellings or constructing new residential dwellings in this state.

25 (34) ~~R.S. 47:6040, "key words": antique motor vehicles.~~ (a) No tax imposed
26 by any parish, municipality, school board, or any other political subdivision shall be
27 applicable to the sale of an antique motor vehicle as defined in Subparagraph (b) of
28 this Paragraph. The exemption from local sales and use taxes contained in this
29 Paragraph shall be granted notwithstanding any other provision of law to the contrary.

- 1 (ii) Transmission line.
- 2 (iii) DTV antenna.
- 3 (iv) Tower.
- 4 (v) Existing tower structural upgrade.
- 5 (vi) Advanced TV receiver (STL receiver).
- 6 (vii) Decoder (digital to analog converter for NTSC).
- 7 (viii) DTV transmission system test and monitoring.
- 8 (ix) Digital video/audio master control switcher.
- 9 (x) Analog to digital conversion.
- 10 (xi) High definition up-converters.
- 11 (xii) High definition bypass switcher.
- 12 (xiii) Down converters for standard definition.
- 13 (xiv) Advanced TV transmitter (STL transmitter).
- 14 (xv) Advanced TV signal encoder.
- 15 (xvi) DTV transmission monitoring.
- 16 (xvii) High definition digital video switcher and DVE.
- 17 (xviii) High definition studio cameras.
- 18 (xix) High definition graphics/graphic generator.
- 19 (xx) High definition video monitoring.
- 20 (xxi) Conversion gear.
- 21 (xxii) High definition recorder/players, including tape, disk, etc.
- 22 (xxiii) High definition video/audio signal router.
- 23 (xxiv) High definition video/audio media server.
- 24 (xxv) MPEG or HDTV digital receivers for program content.
- 25 (xxvi) High definition recorder/players, including tape, disk, etc.
- 26 (xxvii) High definition video/audio media server and workstations.
- 27 (xxviii) Digital EAS encoder/decoder.
- 28 (xxix) High definition camcorder, including tape, disk, etc.
- 29 (xxx) Advanced TV transmitters, including microwave.

1 N. ~~As provided for in R.S. 47:305.20(G)(2), the governing authority of any~~
2 ~~parish, school board, municipality, or other local taxing authority may, by ordinance~~
3 ~~or resolution grant the exemption provided for in R.S. 47:305.20. In addition, such~~
4 ~~taxing authority may authorize refunds of any tax paid prior to the effective date of~~
5 ~~such ordinance or resolution on transactions exempted by that Section. (1) A~~
6 Louisiana resident, domiciled in Louisiana, who possesses such valid Louisiana
7 commercial fishing license(s) as may be necessary for commercial fishing ventures,
8 including but not limited to a vessel license issued pursuant to R.S. 56:304, and who
9 is an owner of a vessel operated primarily for the conduct of commercial fishing as
10 a trade or business and which the Louisiana Department of Wildlife and Fisheries
11 determines will be predominantly and principally used for commercial fishing
12 ventures and whose catch is for human consumption shall be exempt from political
13 subdivision sales, use, lease, and services taxes as set forth in Paragraph (3) of this
14 Subsection. Possession of a commercial fishing license issued by the Department of
15 Wildlife and Fisheries shall not be used as the sole determination that a vessel will be
16 used predominantly and principally for commercial fishing ventures. This exemption
17 shall also apply to facilities which process the catch from owners of commercial
18 fishing vessels for which this exemption is granted when such vessels are owned by,
19 or leased or contracted exclusively to, the seafood processing facility.

20 (2)(a) The Department of Revenue, after consulting with the Department of
21 Wildlife and Fisheries, shall immediately issue rules and regulations for the
22 enforcement of these provisions. Through its agents, it shall issue a certificate of
23 exemption to those who have demonstrated their qualification under the provisions
24 of this Subsection. Except as provided in Subparagraph (b) of this Paragraph, no such
25 certificate shall be issued to any person who does not present to the department a
26 notarized statement that he derives or intends to derive his primary source of income,
27 which means not less than fifty percent, from commercial fishing.

1 (b) In lieu of a notarized statement, a person acting on his own behalf, with
2 sufficient personal identification and documentation, may execute a signed statement
3 before an authorized employee of the Department of Revenue.

4 (c) A separate certificate of exemption shall be issued for each vessel which
5 the applicant has demonstrated, to the satisfaction of the department, will be used
6 principally and predominantly for commercial fishing ventures. The certificate shall
7 identify the vessel to which the exemption shall be applicable. This certificate shall
8 be made available without charge to qualified applicants. Such certificates are not
9 transferable and shall be presented in order to obtain the exemption.

10 (3) An owner who has obtained a certificate of exemption shall, with respect
11 to the vessel identified in the certificate for the harvesting or production of fish and
12 other aquatic life, including shrimp, oysters, and clams, and certain seafood
13 processing facilities described in Paragraph (1), be exempt from the taxes described
14 in Paragraph (1), as follows:

15 (a) Taxes applied to the materials and supplies necessary for repairs to the
16 vessel or facility if they are purchased by the owner and later become a component
17 part of the vessel or facility.

18 (b) Taxes applied to materials and supplies purchased by the owner of the
19 vessel or facility where such materials and supplies are loaded upon the vessel or
20 delivered to the facility for use or consumption in the maintenance and operation
21 thereof for commercial fishing and processing ventures. For purposes of this
22 Subparagraph, it shall make no difference whether the vessel is engaged in interstate,
23 foreign, or intrastate commerce.

24 (c) Taxes applied to repair services performed upon the vessel or facility. For
25 the purposes of this Subparagraph, it shall make no difference whether the vessel is
26 engaged in intrastate, interstate, or foreign commerce.

27 (d) Taxes applied to the purchase of gasoline, diesel fuel, and lubricants for
28 the vessel and to sources of energy and fuels for the facility.

1 (4) Any person who would otherwise be entitled to a certificate of exemption,
2 shall be exempt from all political subdivision taxes applied to the purchase of any
3 vessel which the Department of Revenue determines, under its rules and regulations,
4 will be used principally and predominantly for commercial fishing ventures. This
5 determination may be made prior to the sale by the department at which time it shall
6 issue to the applicant a certificate of exemption. Where application is made prior to
7 the purchase, the burden shall be on the applicant to demonstrate that the vessel will
8 be used principally and predominantly for commercial fishing ventures. If application
9 for a certificate of exemption is made after purchase, a certificate of exemption shall
10 issue and the Department of Revenue shall give a rebate, out of funds made available
11 therefor, for all taxes paid; but this shall take place only where the applicant has
12 demonstrated his and the vessel's qualifications under this Subsection. This
13 Paragraph shall be made applicable only to purchases made subsequent to September
14 12, 1975.

15 (5) When a commercial fisherman objects to a refusal of the Department of
16 Revenue to issue a certificate under this Subsection, he may appeal such ruling to the
17 Board of Tax Appeals, which may overrule the secretary and grant tax exempt status
18 if there is a determination that the denial was arbitrary, capricious, or unreasonable.

19 (6) Any person who knowingly uses his certificate for a purpose other than
20 that authorized in this Subsection, and any person who knowingly participates in the
21 obtaining of or the misusing of the certificate, whether present or absent and whether
22 they directly commit the act constituting this offense, aid and abet in its commission,
23 or directly or indirectly counsel or procure another to commit the crime, shall be
24 subject to a fine of not less than one hundred dollars per offense nor more than one
25 thousand dollars per offense, and imprisonment without hard labor for not less than
26 one day nor more than three months.

27 (7) The governing authority of any parish, school board, municipality, or
28 other local taxing authority may by ordinance or resolution grant the exemption
29 provided for in this Subsection. In addition, such taxing authority may authorize

1 refunds of any political subdivision tax paid prior to the effective date of such
2 ordinance or resolution on transactions exempted by this Subsection.

3 * * *

4 P. ~~As provided for in R.S. 47:337.10.2, a political subdivision may by~~
5 ~~ordinance or resolution exempt purchases of feminine hygiene products, diapers, or~~
6 ~~both for personal use from all or part of the sales and use tax levied by the political~~
7 ~~subdivision: (1) Any political subdivision may by ordinance or resolution exempt~~
8 purchases of feminine hygiene products, diapers, or both for individual personal use
9 from all or part of the sales and use tax levied by the political subdivision.

10 (2) For purposes of this Subsection:

11 (a) "Diaper" means any absorbent diaper or undergarment used for
12 incontinence in adults and any absorbent diaper or undergarment designed to be worn
13 by a child who cannot yet control bladder or bowel movements.

14 (b) "Feminine hygiene product" means tampons, menstrual pads, sanitary
15 napkins, panty liners, menstrual sponges, and menstrual cups, including disposable
16 and washable versions of these items.

17 * * *

18 §337.11. Other provisions applicable to local sales and use tax

19 In addition to the provisions of law applicable to the sales and use taxes of
20 local taxing authorities as provided for in this Chapter, the following provisions
21 outside this Chapter, and no others, shall be applicable to the sales and use taxes of
22 local taxing authorities. ~~The use of the "key words" following the statutory citations~~
23 ~~in this Subsection are illustrative only, and they are intended to aid in clarity and ease~~
24 ~~of finding the law, and they are not intended to expand, contract, or otherwise modify~~
25 ~~or change the intent of the cited provisions of law.;~~

26 (1) ~~R.S. 4:168, "key words": horse racing. The license fees, commissions, and~~
27 taxes imposed in Part I of Chapter 4 of Title 4 of the Louisiana Revised Statutes of
28 1950, are in lieu of all other such licenses, sales, excise and occupation taxes to any
29 parish, city, town, or other political subdivision.

1 §4302. Contracts of exemption; renegotiation; violation; lists

2 (E) Beginning January 1, 2025, no new contracts shall be entered into
3 pursuant to this Section.

4 * * *

5 §6001. Antique airplanes and certain other aircraft

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

14 * * *

15 §6007. Motion picture production tax credit

16 * * *

17 I. No credits shall be allowed pursuant to this Section for applications
18 received on or after ~~July~~ January 1, 2025.

19 * * *

20 §6019. Tax credit; rehabilitation of historic structures

21 A.(1)(a) There shall be a credit against income and corporation franchise tax
22 for the amount of eligible costs and expenses incurred during the rehabilitation of a
23 historic structure located in a downtown development or a cultural district. The
24 amount of the credit shall equal twenty-five percent of the eligible costs and expenses
25 of the rehabilitation incurred prior to January 1, 2018, regardless of the year in which
26 the property is placed in service. The amount of the credit shall equal twenty percent
27 of the eligible costs and expenses of the rehabilitation incurred on or after January 1,
28 2018, and before January 1, 2026, regardless of the year in which the property is

1 placed in service. No credit is authorized pursuant to this Section for expenses
2 incurred on or after January 1, ~~2026~~ 2025.

3 * * *

4 §6020. Angel Investor Tax Credit Program

5 * * *

6 H. No credits shall be granted or reserved under this program for reservation
7 applications received by the department on or after ~~July~~ January 1, 2025.

8 * * *

9 §6034. Musical and theatrical production income tax credit

10 * * *

11 K. No credit shall be granted pursuant to this Section for applications received
12 on or after ~~July~~ January 1, 2025.

13 * * *

14 §9052. Retail vendor certificates

15 * * *

16 E. For the convenience of the public, all retailers may pay winners up to six
17 hundred dollars after performing validation procedures appropriate to the lottery game
18 involved. Lottery tickets shall be exempt from ~~the state and~~ local sales and use tax.

19 * * *

20 Section 7. R.S. 51:1787(L) and 1924(A) are hereby amended and reenacted and R.S.
21 51:2399.3(C) is hereby enact to read as follows:

22 §1787. Enterprise zone incentives

23 * * *

24 L. The department shall not accept any advance notification on or after ~~July~~
25 ~~1, 2026~~ January 1, 2025.

26 * * *

27 §1924. Income tax credit or premium tax reduction

28 A. A person, either natural or artificial, who invests in the certified capital of
29 a certified Louisiana capital company may claim either a premium tax reduction

1 pursuant to R.S. 22:832(E) or a credit against the person's Louisiana income tax in the
2 person's taxable year in which the investment is made, as certified by the
3 commissioner, pursuant to rules promulgated by the secretary, to the Department of
4 Insurance or the Department of Revenue. No new credit or tax reduction shall be
5 granted pursuant to this section on or after January 1, 2025.

6 * * *

7 §2399.3. Modernization tax credit

8 * * *

9 C. No tax credit shall be granted pursuant to this Section on and or after
10 January 1, 2025.

11 * * *

12 Section 8. R.S. 6:662, R.S. 12:302(L), R.S. 17:3095(A)(1)(b) and (c), 3098(E), and
13 3389, R.S. 25:1226 through 1226.6, R.S. 26:421, R.S. 47:8, 11, 12, 33(A)(7), 34, 35, 37, 44,
14 44.2, 48 through 51, 53 through 71, 79, 111(A)(11), 121, 158, 183, 224(C), 226(C), 246, 265,
15 287.71(B)(2), (6), and (8), 287.73(C), 287.82 , 287.86, 287.501(B), 287.521, 287.526,
16 287.664, 287.732(B) and (C), 287.732.2, 287.738(F) and (G), 287.743, 287.745, 287.748,
17 287.749, 287.752, 287.753, 287.755, 287.756, 287.758, 287.759, 293(2)(a), (3), (5), (7),
18 (9)(a)(vi), (x), and (xvii), and (11), 294(B), 297(A) through (D) and (H) through (P), 297.1
19 through 297.4, 297.6 through 297.14, 300.6(B)(2)(b) and (d), 300.7(C)(2), 301(3)(a) through
20 (c), (e),(g) through (k), (4)(i),and (k), (6)(b) and (c), (7)(b) through (h) and (j) through (l),
21 (8)(b) and (d) through (f), (10)(a), (b), (c)(i)(aa)(II) and (bb) and (ii), (d), (e), (h) through (s),
22 (v), and (w) through (hh), (13)(a) through (c) and (e) through (m), (14)(b)(i)(bb) and (ii)
23 through (iv), (g)(iii) and (iv), (h), (j), and (k), (16)(c), (e) through (p), (18)(a), (c), (d)(ii) and
24 (e) through (p), and (28), 301.1(B)(2) and (D), 302(D), 305(A) through (C), (D)(1)(a) through
25 (i), (k) through (m), (s), and (t), and (2) through (6), and (F) through (I), 305.1 through 305.9,
26 305.13 through 305.24, 305.26, 305.28, 305.33, 305.36, 305.38, 305.40, 305.45, 305.47,
27 305.49 through 305.53, 305.57, 305.59 through 305.61, 305.63, 305.65 through 305.71,
28 305.74 , 337.9(C)(19) and (20) and (D)(28), 337.10.2, 602(B) through (H), 608, 633(7)(b)
29 through (d), (9)(b), (c), (d)(v), and (e), 633.5, 648.21, 713, 716.1, 818.14(A)(3), 855, 6003,

1 6005 through 6006.1, 6008 through 6018, 6021 through 6023, 6025 through 6032, 6036,
2 6037, 6040, 6104 through 6107, and 6301 and R.S. 51:1801 through 1808, 2351 through
3 2356, and 3081 through 3094 are hereby repealed in their entirety.

4 Section 9. The Louisiana State Law Institute is hereby authorized and directed to
5 review all statutes modified or repealed by this Act and make any necessary technical
6 changes. The Institute shall make recommendations as it deems necessary to clarify, modify,
7 or eliminate antiquated provisions of law consistent with the provisions of this Act and to
8 submit its recommendations to the legislature on or before January 1, 2024.

9 Section 10. This Act shall become effective on January 1, 2025.

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 444 Original

2021 Regular Session

Bishop

Abstract: Terminates certain income, corporate franchise, severance, sales and use, severance, tobacco, petroleum product, alcohol tax exemptions, exclusions, credits, deductions, reductions, rebates, and other tax incentives.

Present law provides for a tax to be assessed, levied, collected, and paid upon the taxable income of an individual at the following rates:

- (1) 2% on the first \$12,500 of net income.
- (2) 4% on the next \$37,500 of net income.
- (3) 6% on net income in excess of \$50,000.

Present law provides for a tax to be assessed, levied, collected, and paid on the La. taxable income of an estate or trust at the following rates:

- (1) 2% on the first \$10,000 of La. taxable income.
- (2) 4% on the next \$40,000 of La. taxable income.
- (3) 6% on La. taxable income in excess of \$50,000.

Present law requires that the tax to be assessed, levied, collected, and paid on the La. taxable income of every corporation is to be computed at the following rates:

- (1) 4% on the first \$25,000 of La. taxable income.
- (2) 5% on La. taxable income above \$25,000 but not in excess of \$50,000.
- (3) 6% on La. taxable income above \$50,000 but not in excess of \$100,000.

- (4) 7% on La. taxable income above \$100,000 but not in excess of \$200,000.
- (5) 8% on all La. taxable income in excess of \$200,000.

Present law provides for various individual and corporation tax incentives in the form of deductions, exemptions, exclusions, and credits. Further provides that various credits apply against individual and corporation income and corporation franchise tax liability including, but not limited to:

- (1) Qualified new recycling manufacturing or process equipment and service tax exemption contracts.
- (2) Tax credits for local inventory taxes paid.
- (3) Tax credits for taxes paid related to vessels in Outer Continental Shelf Lands Act waters.
- (4) Tax credits for donations made to assist playgrounds in economically depressed areas.
- (5) Tax credits for donations made to public schools.
- (6) Tax credits for property taxes paid by certain telephone companies.
- (7) Tax credit for research and development businesses in La.
- (8) Tax credits for businesses established in disadvantaged areas of La. for the purpose of attracting private sector investment.
- (9) Tax credits for certain expenses paid by economic development corporations.
- (10) Tax credits for purchases from prison industry enhancement contractors.
- (11) Tax credits for the rehabilitation of historic structures.
- (12) Tax credits for angel investors.
- (13) Tax credits for businesses producing digital and interactive media products.
- (14) Tax credits for businesses in the music and sound recording industry.
- (15) Tax credits for Louisiana Citizens Property Insurance Corporation assessment.
- (16) Tax credits for certain investors in the Cane River Heritage Area.
- (17) Tax credits for donations to certain certified community development corporations.
- (18) Tax credits for certain milk producers.
- (19) Tax credits for musical and theatrical productions.
- (20) Tax incentives for urban revitalization.
- (21) Tax credits for technology commercialization and jobs.
- (22) Tax credits for certain individuals or businesses that invest in Louisiana Community Development Financial Institutions.
- (23) Tax credits for donations to certain school tuition organizations.

Proposed law repeals the deductions, exemptions, exclusions, and credits provided for in present law.

Present law imposes a tax on natural resources severed from the soil or water based upon quantity or value of the products or resources severed.

Present law provides oil and condensate shall be taxed at a rate of 12.5% of its value at the time and place of severance.

Present law provides oil produced from an incapable well shall be taxed at a reduced rate equal to one half of the present rate for oil established in present law (R.S. 47:633(a)) which equates to 6.25% of its value at the time and place of severance.

Proposed law repeals present law.

Present law provides oil produced from a stripper well shall be taxed at a reduced rate equal to one quarter of the present rate for oil established in present law (R.S. 47:633(a)) which equates to 3.125% of its value at the time and place of severance.

Proposed law repeals present law.

Present law provides oil produced from an inactive well shall be taxed at a reduced rate equal to one half of the present rate for oil established in present law (R.S. 47:633(a)) which equates to 6.25% of its value at the time and place of severance.

Proposed law repeals present law.

Present law provides oil produced from an orphan well shall be taxed at a reduced rate equal to one half of the present rate for oil established in present law (R.S. 47:633(a)) which equates to 6.25% of its value at the time and place of severance.

Proposed law repeals present law.

Present law provides for certain severance tax suspensions on horizontally drilled wells, certain inactive wells, and certain deep wells.

Proposed law repeals present law.

Present law provides the definition of value, for purposes of calculating severance tax, as the higher of (1) gross receipts received from the first purchases, less charges for trucking, barging, and pipeline fees, or (2) the posted field price.

Present law imposes state sales and use taxes on the sale, use, lease, or rental of tangible personal property pursuant to the following levies in the following amounts:

- (1) R.S. 47:302 - 2%
- (2) R.S. 47:321 - 1%
- (3) R.S. 47:321.1 - .45%
- (4) R.S. 47:331 - .97%
- (5) R.S. 51:1286 - .03%

Present law provides for various state sales and use tax exclusions and exemptions.

Proposed law repeals certain exclusions and exemptions in present law.

Present law levies a tax on certain petroleum products. Further provides for an exemption for casinghead gasoline and aviation gasoline. Proposed law repeals present law exemptions.

Present law levies a tax on certain tobacco products. Further provides for an exemption for sales of tobacco products to state institutions. Proposed law repeals present law exemption. Present law levies a tax on certain alcohol products. Further provides for an exemption for sales of alcohol for antiseptic, scientific, religious, and chemical uses. Proposed law repeals present law exemption.

Effective Jan. 1, 2025.

(Amends R.S. 3:84 and 147, R.S. 4:168 and 227, R.S. 22:2065, R.S. 33:4169(D), R.S. 47:182, 223, 301(1), (16)(a) and (b), 302.1(A), 337.6, 337.9(A), (B), (C)(1), through (9), (11) through (18) and (21) through (26), and (D)(1) through (14), (16) through (27), (29), and (31) through (34), 337.10(A)(intro. para.), (E), (G), (I)(1), (M), (N), and (P), 337.11 (intro. para.), (1), (2), and (12), 337.15(B)(2), 6001(A), 6007(I), 6019(A)(1)(a), 6020(H), 6034(K) and 9052(E), and R.S. 51:1787(L) and 1924(A); Adds R.S. 39:467(I) and 468(I), R.S. 47:305.25(D), 305.37(C), 305.54(H), 305.58(G), 305.62(G), 3204(M), and 4302(E), and R.S. 51:2399.3(C); Repeals R.S. 6:662, R.S. 12:302(L), R.S. 17:3095(A)(1)(b) and (c), 3098(E) and 3389, R.S. 25:1226 through 1226.6, R.S. 26:421, R.S. 47:8, 11, 12, 33(A)(7), 34, 35, 37, 44, 44.2, 48 through 51, 53 through 71, 79, 111(A)(11), 121, 158, 183, 224(C), 226(C), 246, 265, 287.71(B)(2), (6), and (8), 287.73(C), 287.82, 287.86, 287.501(B), 287.521, 287.526, 287.664, 287.732(B) and (C), 287.732.2, 287.738(F) and (G), 287.743, 287.745, 287.748, 287.749, 287.752, 287.753, 287.755, 287.756, 287.758, 287.759, 293(2)(a), (3), (5), (7), (9)(a)(vi), (x), and (xvii), and (11), 294(B), 297(A) through (D) and (H) through (P), 297.1 through 297.4, 297.6 through 297.14, 300.6(B)(2)(b) and (d), 300.7 (C)(2), 301(3)(a) through (c), (e),(g) through (k), (4)(i), and (k), (6)(b) and (c), (7)(b) through (h) and (j) through (l), (8)(b) and (d) through (f), (10)(a), (b), (c)(i)(aa)(II) and (bb) and (ii), (d), (e), (h) through (s), (v), and (w) through (hh), (13)(a) through (c) and (e) through (m), (14)(b)(i)(bb), (ii) through (iv), (g)(iii) and (iv), (h), (j) and (k),(16)(c),(e) through (p), (18)(a), (c), (d)(ii) and (e) through (p), and (28), 301.1(B)(2) and (D), 302(D), 305(A)(1) through (C), (D)(1)(a) through (i), (k) through (m), (s), and (t), and (2) through (6), and (F) through (I), 305.1 through 305.9, 305.13 through 305.24, 305.26, 305.28, 305.33, 305.36, 305.38, 305.40, 305.45, 305.47, 305.49 through 305.53, 305.57, 305.59 through 305.61, 305.63, 305.65 through 305.71, 305.74, 337.9(C)(19) and (20) and (D)(28), 337.10.2, 602(B) through (H), 608, 633(7)(b) through (d), (9)(b), (c), (d)(v), and (e), 633.5, 648.21, 713, 716.1, 818.14(A)(3), 855, 6003, 6005, through 6006.1, 6008 through 6018, 6021 through 6023, 6025 through 6032, 6036, 6037, 6040, 6104 through 6107, and 6301 and R.S. 51:1801 through 1808, 2351 through 2356, and 3081 through 3094)