HLS 17RS-69 ORIGINAL

2017 Regular Session

HOUSE BILL NO. 59

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BY REPRESENTATIVE BROADWATER

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

TAX/SALES-USE, ST-EXEMPT: Adds certain polyroll tubing to the definition of farm equipment for purposes of the state sales and use tax exemption for certain farm equipment and authorizes a state sales and use tax refund for certain purchases of polyroll tubing made prior to July 1, 2017

AN ACT

2 To amend and reenact R.S. 47:305.25(A)(3) and to enact R.S. 47:315.6, relative to the state 3 sales and use tax for certain farm equipment; to establish a state sales and use tax 4 refund for certain purchases of polyroll tubing; to provide for the definition of farm 5 equipment to include polyroll tubing; to provide for effectiveness; and to provide for 6 related matters. 7 Be it enacted by the Legislature of Louisiana: 8 Section 1. R.S. 47:305.25(A)(3) is hereby amended and reenacted and R.S. 47:315.6 9 is hereby enacted to read as follows: 10 §305.25. Exclusions and exemptions; farm equipment 11 A. The tax imposed by R.S. 47:302(A), 321(A), and 331(A) with respect to 12 the sale and use of farm equipment shall apply only to that portion of the sale price 13 in excess of fifty thousand dollars for each item of farm equipment. The purchaser 14 or his representative shall provide on any exemption certificate required for this 15 exemption a certification that the purchaser is a farmer or is purchasing for an 16 agricultural facility. The department shall hold the purchaser responsible for any 17 taxes due. For the purpose of this Section, "farm equipment" includes the following:

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1 (3) Irrigation wells, drives, motors, polyroll tubing for commercial farm 2 irrigation, and equipment. 3 4 §315.6. Sales tax refund; sales of polyroll tubing A. Any taxpayer who paid the sales and use taxes levied by the state upon 5 6 the sale of polyroll tubing used for commercial farm irrigation for purchases made 7 on or after April 1, 2016, and on or before July 1, 2017, shall be entitled to 8 reimbursement of the amount of the state sales tax paid on that property. Upon 9 receipt of a signed statement of the taxpayer as to the amount of the state sales taxes 10 paid under the provisions of this Chapter on the polyroll tubing and upon proof of 11 payment, the secretary shall make a refund to the taxpayer claiming the refund in the 12 amount to which he is entitled. B. No refund shall be made under the provisions of this Section unless a 13 14 claim for refund covering the amount to which the taxpayer is entitled is filed on or 15 before the end of the third calendar year from the date of the sale of the property. C. The secretary is authorized to prescribe forms and regulations for use in 16 17 carrying out the provisions of this Section. 18 Section 2. This Act shall become effective on July 1, 2017; if vetoed by the governor 19 and subsequently approved by the legislature, this Act shall become effective on July 1, 20 2017, or on the day following such approval by the legislature, whichever is later.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 59 Original

2017 Regular Session

Broadwater

Abstract: Adds polyroll tubing for commercial farm irrigation to the definition of farm equipment for purposes of the state sales and use tax exemption for certain farm equipment and authorizes a state sales and use tax refund for certain purchases of polyroll tubing.

<u>Present law</u> exempts from the imposition of the state sales and use tax the first \$50,000 of the sales price of farm equipment, defined as:

CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

(1) Rubber tired farm tractors, cane harvesters, cane loaders, cotton pickers, combines, haybalers, and attachments and sprayers.

- (2) Clippers, cultivators, discs, plows, and spreaders.
- (3) Irrigation wells, drives, motors, and equipment.
- (4) Other farm implements and equipment used for agricultural purposes in the production of food and fiber.
- On the farm facilities used to dry or store grain or any materials used to construct such on the farm facilities.

<u>Proposed law</u> retains <u>present law</u> and adds polyroll tubing for commercial farm irrigation to the definition of farm equipment.

<u>Proposed law</u> authorizes a refund for the state sales and use taxes paid for purchases of polyroll tubing made on or after April 1, 2016, and on or before July 1, 2017. <u>Proposed law</u> provides for certain requirements and limitations for claiming the refund.

Effective July 1, 2017.

(Amends R.S. 47:305.25(A)(3); Adds R.S. 47:315.6)