

2021 Regular Session

HOUSE BILL NO. 605

BY REPRESENTATIVE WRIGHT

TAX/SALES & USE: Provides relative to sales and use tax reform

1 AN ACT

2 To amend and reenact R.S. 47:301(3)(a) and (4)(introductory paragraph), 305.14(A)(1)(a),

3 305.20(A) and (C), and 337.9(D)(10) and R.S. 51:1286(B), to enact R.S.

4 47:301(14)(l) through (ee), (16)(r), and (31), 305.25(D), 305.54(H), 305.58(G),

5 305.62(G) and 331.1, and to repeal R.S. 38:2212.4(C) and R.S. 47:301(3)(a), (e), (i),

6 and (k), (8)(b) and (f),(10)(a)(i) through (iii), (e), (l), (m), (v) through (x),(cc), and

7 (ii),(13)(a) through (c), (g), (h), and (k), (14)(b)(i)(bb), and (g)(iii) and (iv), (16)(c),

8 (f), (g), and (l) through (p), (18)(a)(iii), (i), (j), and (n), and (28), 301.1(B)(2), 302(A)

9 through (J) and (L) through (BB), 305(A)(1) through (3), (B), (D)(1)(a), (c), (j),

10 (k)(i), (l), (m), and (s) through (u), (2), and (3)(b), (F), (G), and (I), 305.2, 305.3,

11 305.10, 305.11, 305.16, 305.17, 305.19, 305.26, 305.28, 305.36, 305.39, 305.40,

12 305.41, 305.45, 305.49, 305.50, 305.57, 305.67, 305.68, 305.70, 305.71, 321, 321.1,

13 331, 337.9(B), (C)(1),(2), (4), (6), (8), (14.1) through (16), (23), (24), and (26), and

14 (D)(7), (8), (12) through (14), (16), (18), (21), (24), (25), and (31) through (34),

15 337.10(I), 337.11(5) and (8), 338.52(D)(4)(a), 463.8(B)(1)(b)(ii), 6001, and 6040,

16 relative to state and local sales and use tax; to provide with respect to sales and use

17 taxes on the installation of certain tangible personal property; to provide with respect

18 to sales and use taxes on certain motor vehicles; to provide with respect to sales and

19 use taxes on manufacturing machinery and equipment; to provide with respect to

20 sales and use taxes on certain purchases by paper and wood manufacturers and

1 loggers; to provide with respect to sales and use taxes on purchases by regionally
2 accredited independent education institutions; to provide with respect to sales and
3 use taxes on purchases by certain nonprofit entities; to provide with respect to sales
4 and use taxes on sales of marijuana recommended for therapeutic use; to provide
5 with respect to sales and use taxes on purchases of tangible personal property for
6 lease or rental; to provide with respect to sales and use taxes on sales of raw
7 agricultural commodities; to provide with respect to sales and use taxes on pollution
8 control devices and systems; to provide with respect to sales and use taxes on certain
9 aircraft; to provide with respect to sales and use taxes on sales of cellular telephones
10 and electronic accessories; to provide with respect to sales and use taxes on certain
11 purchases of propane and butane; to provide with respect to sales and use taxes on
12 purchases of certain educational materials; to provide with respect to sales and use
13 taxes on articles traded in on tangible personal property; to provide with respect to
14 sales and use taxes on certain farm equipment; to provide with respect to sales and
15 use taxes on repairs, renovations, or conversions of drilling rigs; to provide with
16 respect to sales and use taxes on certain pharmaceuticals; to provide with respect to
17 the sales and use taxes on manufactured homes; to provide with respect to certain
18 sales and use taxes on certain constructions permanently attached to the ground; to
19 provide with respect to sales and use taxes on purchases by motor vehicle
20 manufacturers; to provide with respect to sales and use taxes on purchases by glass
21 manufacturers; to provide with respect to sales and use taxes on sales of newspapers;
22 to provide with respect to sales and use taxes on certain telecommunications
23 services; to provide with respect to sales and use taxes on advertising services; to
24 provide with respect to sales and use taxes on purchases by nonprofit electric
25 cooperatives; to provide with respect to sales and use taxes on purchases by a public
26 trust; to provide with respect to sales and use taxes on sales of farm products direct
27 from the farm; to provide with respect to sales and use taxes on livestock and
28 racehorses; to provide with respect sales and use taxes on certain farm products; to
29 provide with respect to sales and use taxes on gasoline, diesel fuel, and special fuels;

1 to provide with respect to sales and use taxes on certain utilities; to provide with
2 respect to sales and use taxes on certain medical devices and equipment; to provide
3 with respect to sales and use tax on sales of meals by certain institutions; to provide
4 with respect to sales and use taxes on property purchased for exclusive use outside
5 of the state; to provide with respect to sales and use taxes on certain contracts entered
6 into ninety days prior to the levy of a new tax; to provide with respect to sales and
7 use taxes on the lease or rental of certain vessels in offshore mineral production; to
8 provide with respect to sales and use taxes on certain seafood processing facilities;
9 to provide with respect to sales and use taxes on certain farming equipment; to
10 provide with respect to sales and use taxes on gasohol; to provide with respect to
11 sales and use taxes on speciality Mardi Gras items purchased or sold by certain
12 organizations; to provide with respect to sales and use taxes on purchases and sales
13 by Ducks Unlimited and Bass Life; to provide with respect to sales and use taxes on
14 piggyback trailers or containers; to provide with respect to sales and use taxes on
15 rolling stock and per diem car hire charges; to provide with respect to sales and use
16 taxes on catalogs distributed in Louisiana; to provide with respect to sales and use
17 taxes on certain trucks, trailers, and buses; to provide with respect to sales and use
18 taxes on sales of one-of-a-kind works of art; to provide with respect to sales and use
19 tax holidays; to provide with respect to sales and use taxes on the purchase, lease, or
20 repair of certain capital equipment and computer software of qualifying radiation
21 therapy treatment centers; to provide with respect to sales and use taxes on purchases
22 of breast-feeding items; to provide with respect to sales and use taxes on purchases
23 by certain charitable and nonprofit organizations; to provide with respect to sales and
24 use taxes on antique airplanes and motor vehicles; to levy a sales and use tax on
25 gasoline, diesel fuel, and special fuels; to levy a sales and use tax on certain digital
26 goods delivered into Louisiana; to levy a state sales and use tax; to provide for
27 definitions; and to provide for related matters.

28 Be it enacted by the Legislature of Louisiana:

1 Section 1. R.S. 47:301(3)(a) and (4)(introductory paragraph), 305.14(A)(1)(a),
2 305.20(A) and (C), and 337.9(D)(10) are hereby amended and reenacted and R.S.
3 47:301(14)(l) through (ee), (16)(r), and (31), 305.25(D), 305.54(H), 305.58(G), 305.62(G)
4 and 331.1 are hereby enacted to read as follows:

5 §301. Definitions

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

9 * * *

10 (3)(a) "Cost price" means the actual cost of the articles of tangible personal
11 property without any deductions therefrom on account of the cost of materials used,
12 labor, or service cost, except those service costs for installing the articles of tangible
13 personal property if such cost is separately billed to the customer at the time of
14 installation, transportation charges, or any other expenses whatsoever, or the
15 reasonable market value of the tangible personal property at the time it becomes
16 susceptible to the use tax, whichever is less. For the purpose of sales of digital goods,
17 "cost price" shall mean the actual price paid to own, download, access, stream,
18 subscribe or take possession of any digital good whether payment is made through
19 a singular or recurring transaction.

20 * * *

21 (4) "Dealer" includes every person who manufactures or produces tangible
22 personal property for sale at retail, for use, or consumption, or distribution, or for
23 storage to be used or consumed in a taxing jurisdiction. Dealer shall also include any
24 person that offers for sale digital goods that may be downloaded, streamed, accessed,
25 subscribed to, or accessed by any other electronic means within Louisiana. "Dealer"
26 is further defined to mean:

27 * * *

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

29 * * *

1 (l)(i) The sale of any advertising services by a business or person, including
2 but not limited to services provided by an advertising agency, design firm, or print
3 or broadcast media business. For purposes of this Paragraph, advertising services,
4 whether or not the service includes a transfer of tangible personal property, shall
5 include but is not limited to the following:

6 (aa) Services involved in the conceptualization, development, production,
7 or refinement of original advertising material created by a business or person for
8 reproduction as tangible personal property or digital property.

9 (bb) Creative concept development.

10 (cc) Design services.

11 (dd) Layout services.

12 (ee) Consultation services.

13 (ff) Research services.

14 (gg) Script and copy writing services.

15 (hh) Art preparation.

16 (ii) Printing services.

17 (jj) Photo retouching services.

18 (kk) Photography and videography services.

19 (ll) Sound recording services.

20 (mm) Public relation services.

21 (nn) Account management services.

22 (ii) The tax levied on the services provided in Item (i) of this Subparagraph
23 shall apply to all sales of adverting services delivered into Louisiana.

24 (m) Photo processing and video rental services.

25 (n) Certain household services including but not limited to, moving services,
26 landscaping, cleaning, and home repair services.

27 (o) Veterinary services and animal boarding services.

28 (p) Personal care grooming services.

29 (q) Financial advising and planning services.

- 1 (r) Investment advising services.
- 2 (s) Trust, fiduciary, and other custody services.
- 3 (t) Legal services.
- 4 (u) Accounting services.
- 5 (v) Real estate and property management services.
- 6 (w) Rental housing services.
- 7 (x) Outpatient healthcare medical services.
- 8 (y) Inpatient healthcare medical services.
- 9 (z) Nursing home, assisted living, home health care, and hospice care
- 10 services.
- 11 (aa) Child care, day care, and nursery school services.
- 12 (bb) Labor organization dues.
- 13 (cc) Professional association dues.
- 14 (dd) Higher education tuition and related expenses.
- 15 (ee) Elementary and secondary tuition and related expenses.
- 16 * * *
- 17 (16)
- 18 * * *
- 19 (r) Tangible personal property shall include gasoline, diesel fuel, and special
- 20 fuels.
- 21 * * *
- 22 (31)(a) Digital goods shall mean:
- 23 (i) Digital products or prewritten computer software delivered electronically
- 24 to an end user, regardless of whether the end user receives permanent or temporary
- 25 rights to access or utilize the product or software or whether the end user is required
- 26 to make continued payments for the rights or access.
- 27 (ii) Digital products or prewritten computer software in which a person may
- 28 be permitted rights for access or use and possession is maintained by the seller or a

1 third party, regardless of whether charges for access or utilization are per use, per
2 user, per license, or by subscription.

3 (iii) Digital codes.

4 (iv) Rights, licenses, or benefits delivered electronically to enhance,
5 maintain, update, renew, upgrade, or expand benefits for digital products or
6 prewritten computer software.

7 (b) For purposes of this Subparagraph the following words have the
8 following meanings:

9 (i) Digital code shall mean a key, activation, or enabling code that provides
10 the purchaser with a right or access to obtain one or more digital products that may
11 be obtained by any means including electronic delivery or any tangible means.

12 Digital code shall not include a code that represents stored monetary value that is
13 deducted from a total as it is used by the purchaser, or a redeemable card, gift card,
14 or gift certificate that entitles the holder of the instrument to select specified digital
15 products of an indicated cash value.

16 (ii) Digital product shall include the following:

17 (aa) Digital audiovisual works.

18 (bb) Digital audio works.

19 (cc) Digital books.

20 (dd) Digital artwork.

21 (ee) Digital photographs.

22 (ff) Digital periodicals.

23 (gg) Digital newspapers.

24 (hh) Digital magazines.

25 (ii) Digital video greeting cards.

26 (jj) Audio greeting cards.

27 (kk) Digital greeting cards or invitations.

28 (ll) Video games.

29 * * *

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

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

15 * * *

16 §305.20. Exclusions and exemptions; Louisiana commercial fishermen

17 A. A Louisiana resident, domiciled in Louisiana, who possesses such valid
18 Louisiana commercial fishing license(s) as may be necessary for commercial fishing
19 ventures, including but not limited to a vessel license issued pursuant to R.S. 56:304,
20 and who is an owner of a vessel operated primarily for the conduct of commercial
21 fishing as a trade or business and which the Louisiana Department of Wildlife and
22 Fisheries determines will be predominantly and principally used for commercial
23 fishing ventures and whose catch is for human consumption shall be exempt from
24 state sales, use, lease, and services taxes as set forth in Subsection C of this Section.
25 Possession of a commercial fishing license issued by the Department of Wildlife and
26 Fisheries shall not be used as the sole determination that a vessel will be used
27 predominantly and principally for commercial fishing ventures. ~~This exemption~~
28 ~~shall also apply to facilities which process the catch from owners of commercial~~

1 ~~fishing vessels for which this exemption is granted when such vessels are owned by,~~
2 ~~or leased or contracted exclusively to, the seafood processing facility.~~

3 * * *

4 C. An owner who has obtained a certificate of exemption shall, with respect
5 to the vessel identified in the certificate for the harvesting or production of fish and
6 other aquatic life, including shrimp, oysters, and clams, ~~and certain seafood~~
7 ~~processing facilities described in Subsection A~~, be exempt from the taxes described
8 in Subsection A, as follows:

9 (1) Taxes applied to the materials and supplies necessary for repairs to the
10 vessel ~~or facility~~ if they are purchased by the owner and later become a component
11 part of the vessel ~~or facility~~.

12 (2) Taxes applied to materials and supplies purchased by the owner of the
13 vessel or facility where such materials and supplies are loaded upon the vessel ~~or~~
14 ~~delivered to the facility~~ for use or consumption in the maintenance and operation
15 thereof for commercial fishing ~~and processing ventures~~. For purposes of this
16 Paragraph, it shall make no difference whether the vessel is engaged in interstate,
17 foreign, or intrastate commerce.

18 (3) Taxes applied to repair services performed upon the vessel ~~or facility~~.
19 For the purposes of this Paragraph, it shall make no difference whether the vessel is
20 engaged in intrastate, interstate, or foreign commerce.

21 (4) Taxes applied to the purchase of gasoline, diesel fuel, and lubricants for
22 the vessel ~~and to sources of energy and fuels for the facility~~.

23 * * *

24 §305.25. Exclusions and exemptions; farm equipment

25 * * *

26 D. Beginning January 1, 2022, and notwithstanding any other provision of
27 law, the exemption provided for in this Section shall not apply to state sales and use
28 taxes.

29 * * *

1 §305.54. Exemption; Annual Louisiana Sales Tax Holidays Act

2 * * *

3 H. Beginning January 1, 2022, 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 §305.58. Exemption; annual sales tax holiday; hurricane-preparedness items or
8 supplies; dates; restrictions

9 * * *

10 G. Beginning January 1, 2022, 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 §305.62. Exemption; Annual Louisiana Second Amendment Weekend Holiday

15 * * *

16 G. Beginning January 1, 2022, 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 §331.1. Imposition of tax

21 A. There is hereby levied a tax upon the sale at retail, the use, the
22 consumption, the distribution, and the storage for use or consumption in this state of
23 each item or article of tangible personal property and upon the sale of each digital
24 good delivered into the state, as defined in Chapter 2 of Subtitle II of Title 47 of the
25 Louisiana Revised Statutes of 1950. The levy of the tax shall be as follows:

26 (1) At the rate of two and ninety-seven one hundredths percent of the sales
27 price of each item or article of tangible personal property when sold at retail in this
28 state and of each digital good delivered into this state, the tax to be computed on

1 gross sales for the purpose of remitting the amount of tax to the state, and to include
2 each and every retail sale.

3 (2) At the rate of two and ninety-seven one hundredths percent of the cost
4 price of each item or article of tangible personal property when the same is not sold
5 but is used, consumed, distributed, or stored for use or consumption in this state,
6 provided that there shall be no duplication of the tax.

7 B. In addition to the tax levied by R.S. 47:302(B), 321(B), and 331(B) and
8 collected under the provisions of Chapter 2 of Subtitle II of Title 47 of the Louisiana
9 Revised Statutes of 1950, there is hereby levied a tax upon the lease or rental within
10 this state of each item or article of tangible personal property and upon the lease or
11 rental of each digital good delivered into this state, as defined by Chapter 2 of
12 Subtitle II of Title 47 of the Louisiana Revised Statutes of 1950. The levy of the tax
13 shall be as follows:

14 (1) At the rate of two and ninety-seven one hundredths percent of the gross
15 proceeds derived from the lease or rental of tangible personal property or digital
16 good, as defined in Chapter 2 of Subtitle II of Title 47 of the Louisiana Revised
17 Statutes of 1950, where the lease or rental of such property or digital good is in an
18 established business, or part of an established business, or the same is incidental or
19 germane to the business.

20 (2) At the rate of two and ninety-seven one hundredths percent of the
21 monthly lease or rental price paid by a lessee or rentee, or contracted or agreed to be
22 paid by a lessee or rentee to the owner of the tangible personal property or digital
23 good.

24 C. There is hereby levied a tax upon all sales of services in this state, as
25 those services are defined by Chapter 2 of Subtitle II of Title 47 of the Louisiana
26 Revised Statutes of 1950, at the rate of two and six hundredths percent of the
27 amounts paid or charged for the services.

28 D. The tax levied herein shall be collected from the dealer or wholesaler as
29 provided for and as defined by Chapter 2 of Subtitle II of Title 47 of the Louisiana

1 Revised Statutes of 1950. The tax shall be paid at the time and in the manner
2 provided therein, shall be in addition to all other taxes, whether levied in the form
3 of sales, excise, license, or privilege taxes, and shall be in addition to taxes levied
4 under the provisions of Chapter 3 of Subtitle II of Title 47 of the Louisiana Revised
5 Statutes of 1950.

6 * * *

7 §337.9. Exemptions applicable to local tax in Chapters 2, 2-A, and 2-B; other
8 exemptions applicable

9 * * *

10 D.

11 * * *

12 (10) R.S. 47:305.14, "key words": nonprofit organizations ~~and certain~~
13 ~~newspapers.~~

14 * * *

15 Section 2. R.S. 51:1286(B) is hereby amended and reenacted to read as follows:

16 §1286. Sales and use tax

17 * * *

18 B. The tax so authorized shall be imposed by ordinance adopted by the
19 district without the need of an election and shall be levied upon the sale at retail, the
20 use, the lease or rental, the distribution, the consumption, and the storage for use or
21 consumption of tangible personal property, and on sales of services in the state of
22 Louisiana, as now or hereafter defined in and as provided by Chapter 2 of Subtitle
23 II of Title 47 of the Louisiana Revised Statutes of 1950, subject to the exemptions
24 and suspensions of exemptions to the same extent that such exemptions and
25 suspensions of exemptions now or hereafter apply to the tax levied in ~~R.S. 47:331.~~
26 R.S. 47:331.1.

27 * * *

28 Section 3. R.S. 38:2212.4(C) and R.S. 47:301(3)(a), (e), (i), and (k), (8)(b) and (f),
29 (10)(a)(i) through (iii), (e), (l), (m), (v) through (x), (cc), and (ii), (13)(a) through (c), (g),

1 (h), and (k), (14)(b)(i)(bb), and (g)(iii) and (iv), (16)(c),(f), (g), and (l) through (p),
 2 (18)(a)(iii), (i), (j), and (n), and (28), 301.1(B)(2), 302(A) through (J) and (L) through (BB),
 3 305(A)(1) through (3), (B), (D)(1)(a), (c), (j), (k)(i), (l), (m), and (s) through (u), (2), and
 4 (3)(b), (F), (G), and (I), 305.2, 305.3, 305.10, 305.11, 305.16, 305.17, 305.19, 305.26,
 5 305.28, 305.36, 305.39, 305.40, 305.41, 305.45, 305.49, 305.50, 305.57, 305.67, 305.68,
 6 305.70, 305.71, 321, 321.1, 331, 337.9(B), (C)(1), (2), (4), (6), (8), (14.1) through (16), (23),
 7 (24), and (26), and (D)(7), (8), (12) through (14), (16), (18), (21), (24), (25), and (31)
 8 through (34), 337.10(I), 337.11(5) and (8), 338.52(D)(4)(a), 463.8(B)(1)(b)(ii), 6001, and
 9 6040 are hereby repealed in their entirety.

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 605 Original

2021 Regular Session

Wright

Abstract: Provides for state and local sales and use taxes.

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:

R.S. 47:302 - 2%

R.S. 47:321 - 1%

R.S. 47:321.1 - .45%

R.S. 47:331 - .97%

R.S. 51:1286 - .03%

Proposed law repeals present law (R.S. 47:302, 321, 321.1, and 331).

Proposed law imposes state sales and use taxes on the sale, use, lease, or rental of tangible personal property at a rate of 2.97%.

Present law suspends numerous exemptions from the four levies of state sales and use tax (R.S. 47:302, 321, 321.1, and 331) through June 30, 2025, and provides a list of exemptions that are currently effective.

Present law authorizes numerous sales and use tax exemptions and exclusions.

Present law suspends effectiveness of various sales and use tax exemptions and exclusions, through June 30, 2025, thereby making these items subject to state sales and use tax.

Proposed law repeals certain state and local sales and use tax exemptions and exclusions including those for:

- (1) Sales and use taxes on the installation of certain tangible personal property.
- (2) Sales and use taxes on certain motor vehicles.

- (3) Sales and use taxes on certain manufacturing machinery and equipment.
- (4) Sales and use taxes on certain purchases by paper and wood manufacturers and loggers.
- (5) Sales and use taxes on purchases by regionally accredited independent education institutions.
- (6) Sales and use taxes on purchases by certain nonprofit entities.
- (7) Sales and use taxes on sales of marijuana recommended for therapeutic use.
- (8) Sales and use taxes on purchases of tangible personal property for lease or rental.
- (9) Sales and use taxes on sales of raw agricultural commodities.
- (10) Sales and use taxes on pollution control devices and systems.
- (11) Sales and use taxes on certain aircraft.
- (12) Sales and use taxes on sales of cellular telephones and electronic accessories.
- (13) Sales and use taxes on purchases of propane and butane.
- (14) Sales and use taxes on purchases of certain educational materials.
- (15) Sales and use taxes on articles traded in on tangible personal property.
- (16) Sales and use taxes on certain farm equipment.
- (17) Sales and use taxes on repairs, renovations, or conversions of drilling rigs.
- (18) Sales and use taxes on certain pharmaceuticals.
- (19) Sales and use taxes on manufactured homes.
- (20) Sales and use taxes on certain constructions permanently attached to the ground.
- (21) Sales and use taxes on purchases by motor vehicle manufacturers.
- (22) Sales and use taxes on purchases by glass manufacturers.
- (23) Sales and use taxes on sales of newspapers.
- (24) Sales and use taxes on certain telecommunications services.
- (25) Sales and use taxes on purchases by nonprofit electric cooperatives,
- (26) Sales and use taxes on purchase by a public trust.
- (27) Sales and use taxes on sales of farm products direct from the farm.
- (28) Sales and use taxes on livestock and racehorses.
- (29) Sales and use taxes on certain farm products.
- (30) Sales and use taxes on gasoline, diesel fuel, and special fuel.

- (31) Sales and use taxes on certain utilities.
- (32) Sales and use taxes on certain medical devices and equipment.
- (33) Sales and use tax on sales of meals by certain institutions.
- (34) Sales and use taxes on property purchased for exclusive use outside of the state.
- (35) Sales and use taxes on certain contracts entered into ninety days prior to the levy of a new tax.
- (36) Sales and use taxes on the lease or rental of certain vessels in offshore mineral production.
- (37) Sales and use taxes on certain seafood processing facilities.
- (38) Sales and use taxes on certain farming equipment.
- (39) Sales and use taxes on gasohol.
- (40) Sales and use taxes on speciality Mardi Gras items purchased or sold by certain organizations.
- (41) Sales and use taxes on purchases and sales by Ducks Unlimited and Bass Life.
- (42) Sales and use taxes on piggyback trailers or containers.
- (43) Sales and use taxes on rolling stock and per diem car hire charges.
- (44) Sales and use taxes on catalogs distributed in Louisiana.
- (45) Sales and use taxes on certain trucks, trailers, and buses.
- (46) Sales and use taxes on sales of one-of-a-kind works of art.
- (47) Sales and use taxes on the purchase, lease, or repair of certain capital equipment and computer software of qualifying radiation therapy treatment centers.
- (48) Sales and use taxes on purchases of breast-feeding items.
- (49) Sales and use taxes on purchase by certain charitable and nonprofit organizations.
- (50) Sales and use taxes on antique airplanes and motor vehicles.

Present law levies a sales and use tax on certain services.

Present law exempts sales of advertising services from sales and use tax.

Proposed law levies a state and local sales and use tax on the following services:

- (1) Certain advertising services delivered into La., including:
 - (a) Services involved in the conceptualization development, production, or refinement of original advertising material created by a business or person for reproduction as tangible personal property or digital property.
 - (b) Creative concept development.

- (c) Design services.
- (d) Layout services.
- (e) Consultation services.
- (f) Research services.
- (g) Script and copy writing services.
- (h) Art preparation.
- (i) Printing services.
- (j) Photo retouching services.
- (k) Photography and videography services.
- (l) Sound recording services.
- (m) Public relation services.
- (n) Account management services.
- (2) Photo processing and video rental services.
- (3) Certain household services including but not limited to moving services, landscaping, cleaning, and home repair services.
- (4) Veterinary services and animal boarding services.
- (5) Personal care grooming services.
- (6) Financial advising and planning services.
- (7) Investment advising services.
- (8) Trust, fiduciary, and other custody services.
- (9) Legal services.
- (10) Accounting services.
- (11) Real estate and property management services.
- (12) Rental housing services.
- (13) Outpatient healthcare medical services.
- (14) Inpatient healthcare medical services.
- (15) Nursing home, assisted living, home health care, and hospice care services.
- (16) Child care, day care, and nursery school services.
- (17) Labor organization dues.
- (18) Professional association dues.

- (19) Higher education tuition and related expenses.
- (20) Elementary and secondary tuition and related expenses.

Proposed law levies a sales and use tax on digital goods delivered into La.

Proposed law defines digital goods as:

- (1) Digital products or prewritten computer software delivered electronically to an end user, regardless of whether the end user receives permanent or temporary rights to access or utilize the product or software or whether the end user is required to make continued payments for the rights or access.
- (2) Digital products or prewritten computer software in which a person may be permitted rights for access or use and possession is maintained by the seller or a third party, regardless of whether charges for access or utilization are per use, per user, per license, or by subscription.
- (3) Digital codes.
- (4) Rights, licenses, or benefits delivered electronically to enhance, maintain, update, renew, upgrade, or expand benefits for digital products or prewritten computer software.

Proposed law defines digital code as a key, activation, or enabling code that provides the purchaser with a right or access to obtain one or more digital products that may be obtained by any means including electronic or tangible means. Digital code shall not include a code that represents stored monetary value that is deducted from a total as it sued by the purchaser or a redeemable card, gift card, or gift certificate that entitles the holder of the instrument to select specified digital products of an indicated cash value.

Proposed law provides digital product shall include the following:

- (1) Digital audiovisual works.
- (2) Digital audio works.
- (3) Digital books.
- (4) Digital artwork.
- (5) Digital photographs.
- (6) Digital periodicals.
- (7) Digital newspapers.
- (8) Digital magazines.
- (9) Digital video greeting cards.
- (10) Audio greeting cards.
- (11) Digital greeting cards or invitations.
- (12) Video games.

(Amends R.S. 47:301(3)(a) and (4)(intro. para.), 305.14(A)(1)(a), 305.20(A) and (C), and 337.9(D)(10) and R.S. 51:1286(B); Adds R.S. 47:301(14)(l) through (ee), (16)(r), and (31), 305.25(D), 305.54(H), 305.58(G), 305.62(G) and 331.1; Repeals R.S. 38:2212.4(C) and R.S. 47:301(3)(a), (e), (i), and (k), (8)(b) and (f), (10)(a)(i) through (iii), (e), (l), (m), (v) through (x), (cc), and (ii), (13)(a) through (c), (g), (h), and (k), (14)(b)(i)(bb), and (g)(iii) and (iv), (16)(c), (f), (g), and (l) through (p), (18)(a)(iii), (i), (j), and (n), and (28), 301.1(B)(2), 302(A) through (J) and (L) through (BB), 305(A)(1) through (3), (B), (D)(1)(a), (c), (j), (k)(i), (l), (m), and (s) through (u), (2), and (3)(b), (F), (G), and (I), 305.2, 305.3, 305.10, 305.11, 305.16, 305.17, 305.19, 305.26, 305.28, 305.36, 305.39, 305.40, 305.41, 305.45, 305.49, 305.50, 305.57, 305.67, 305.68, 305.70, 305.71, 321, 321.1, 331, 337.9(B), (C)(1), (2), (4), (6), (8), (14.1) through (16), (23), (24), and (26), and (D)(7), (8), (12) through (14), (16), (18), (21), (24), (25), and (31) through (34), 337.10(I), 337.11(5) and (8), 338.52(D)(4)(a), 463.8(B)(1)(b)(ii), 6001, and 6040)