SLS 18RS-374 ORIGINAL

2018 Regular Session

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SENATE BILL NO. 113

BY SENATOR PEACOCK

TAX EXEMPTIONS. Constitutional amendment to remove the separate metering requirement from the definition of water sold directly to the consumer for residential use. (2/3 - CA13s1(A))

A JOINT RESOLUTION

## 2 Proposing to amend Article VII, Section 2.2(C) of the Constitution of Louisiana, relative to the definition of water sold directly to the consumer for residential use; to remove 3 the separate metering requirement for water for multi-unit residences; and to specify 4 5 an election for submission of the proposition to electors and provide a ballot 6 proposition. Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members 8 elected to each house concurring, that there shall be submitted to the electors of the state, for 9 their approval or rejection in the manner provided by law, a proposal to amend Article VII, 10 Section 2.2(C) of the Constitution of Louisiana, to read as follows: 11 §2.2. Power to Tax; Sales and Use Tax; Limitation Section 2.2.(A) 12 13 (C)(1) As used in this Section, the term "sold directly to the consumer for 14 residential use" includes the furnishing of natural gas, or electricity, or water to 15 single private residences, including the separate private units of apartment houses 16 and other multiple dwellings, actually used for residential purposes, which residences 17

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resident is contractually bound to the supplier for the charges, actually pays the
charges, or is billed for the charges.
(2) As used in this Section, the term "sold directly to the consumer for
residential use" includes the furnishing of water to single private residences,
including the separate private units of apartment houses and other multiple
dwellings, actually used for residential purposes, regardless of the fact that a
person other than the resident is contractually bound to the supplier for the
charges, actually pays the charges, or is billed for the charges.
(3) The use of electricity, natural gas, or water in hotel or motel units does
not constitute residential use.
Section 2. Be it further resolved that this proposed amendment shall be submitted
to the electors of the state of Louisiana at the statewide election to be held on November 6,
2018.
Section 3. Be it further resolved that on the official ballot to be used at said election
there shall be printed a proposition, upon which the electors of the state shall be permitted
to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as
follows:
Do you support an amendment to allow the states sales tax exemption for
water for residential use to apply to multi-unit residences even if the water
is not separately metered for each individual residential unit?
(Amends Article VII, Section 2.2(C))

are separately metered or measured, regardless of the fact that a person other than the

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<u>Present constitution</u> provides that purchases of food for home consumption, prescription drugs, and residential purchases of natural gas, electricity, and water shall be exempt from the state sales and use tax.

<u>Present constitution</u> applies the sales tax exemption for water for residential use to apartment buildings and other multi-unit residences, but requires that each unit be separately metered for the exemption to apply.

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Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

<u>Proposed constitutional amendment</u> retains the sales tax exemptions in the <u>present constitution</u> and removes the separate metering requirement from the sales tax exemption for water for multi-unit residences.

Specifies submission of the amendment to the voters at the statewide election to be held on November 6, 2018.

(Amends Const. Art. VII, Sec. 2.2(C))