

Regular Session, 2012

SENATE BILL NO. 143

BY SENATOR MILLS

TAX/SALES. Requires local sales tax due on the distribution of prescription drugs by a pharmacy in the state on behalf of a pharmacy benefit management company to be collected from the pharmacy benefit management company. (7/1/12)

1 AN ACT

2 To enact R.S. 47:301(4)(m) and 337.15(J), relative to sales tax; to define a pharmacy benefit
3 management company as a dealer in certain circumstances; to require sales and use
4 tax levied by political subdivisions which are due on the distribution of prescription
5 drugs by a pharmacy on behalf of a pharmacy benefit management company to be
6 collected from the pharmacy benefit management company; and to provide for
7 related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 47:301(4)(m) and 337.15(J) are hereby enacted to read as follows:

10 §301. Definitions

11 As used in this Chapter the following words, terms, and phrases have the
12 meaning ascribed to them in this Section, unless the context clearly indicates a
13 different meaning:

14 * * *

15 (4) * * *

16 (m)(I) For purposes of the sales and use tax levied by political
17 subdivisions as defined in R.S. 47:337.6(A)(2), a pharmacy in the state

1 **dispensing prescription drugs on behalf of a pharmacy benefit management**
2 **company shall not be considered a "dealer" for the purpose of collecting such**
3 **tax.**

4 **(II) The term "dealer" shall include a pharmacy benefit management**
5 **company which has pharmacies in the state dispensing prescription drugs on its**
6 **behalf. In that case, any tax due on the distribution of the prescription drug by**
7 **the pharmacy on the pharmacy benefit management company's behalf shall be**
8 **collected from such company.**

9 * * *

10 §337.15. Collection

11 * * *

12 **J. Any tax sales and use tax levied by political subdivision which is due**
13 **on the distribution of prescription drugs by a pharmacy in the state on behalf**
14 **of a pharmacy benefit management company shall be collected from the**
15 **pharmacy benefit management company.**

16 Section 2. This Act shall become effective on July 1, 2012; if vetoed by the governor
17 and subsequently approved by the legislature, this Act shall become effective on July 1,
18 2012, or on the day following such approval by the legislature, whichever is later.

The original instrument and the following digest, which constitutes no part
of the legislative instrument, were prepared by Riley Boudreaux.

DIGEST

Proposed law includes in the term "dealer" a pharmacy benefit management company (a PBM) which has pharmacies in the state dispensing prescription drugs on its behalf and requires local sales tax due on the distribution of prescription drugs by a pharmacy in the state on behalf of such PBM to be collected from the PBM.

Effective July 1, 2012.

(Adds R.S. 47:301(4)(m) and 337.15(J))