

Regular Session, 2010

SENATE BILL NO. 221

BY SENATOR APPEL

COMMERCIAL REGULATIONS. Prohibits a political subdivision from imposing a tax or fee on nonresidents at a different rate than residents. (8/15/10)

1 AN ACT  
2 To enact Chapter 46 of Title 33 of the Louisiana Revised Statutes of 1950, to be comprised  
3 of R.S. 33:9661, relative to political subdivisions; to prohibit a political subdivision  
4 from imposing a tax or fee on certain persons or legal entities in certain  
5 circumstances; to provide for enforcement; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. Chapter 46 of Title 33 of the Louisiana Revised Statutes of 1950,  
8 comprised of R.S. 33:9661, is hereby enacted to read as follows:

9 CHAPTER 46. MISCELLANEOUS

10 §9661. Unfair acts or practices by political subdivisions

11 A. No political subdivision shall charge or impose a tax upon any person  
12 or legal entity, the sole basis of which is the fact that the person or legal entity  
13 is domiciled, registered, or organized outside of the jurisdiction of that political  
14 subdivision.

15 B. No political subdivision shall charge or impose a fee for the general  
16 use of the public streets of the political subdivision upon any person or legal  
17 entity which is domiciled, registered, or organized outside of the jurisdiction of

1 that political subdivision, which such fee is not charged or imposed upon the  
 2 persons or legal entities which are domiciled, residing, registered, organized, or  
 3 doing business within the jurisdiction of that political subdivision.

4 C.(1) Whenever the attorney general has reason to believe that any  
 5 political subdivision is using, or is about to use any method or practice  
 6 prohibited by this Section, he may bring an action for injunctive relief in the  
 7 name of the state against such political subdivision in district court.

8 (2) The district court is authorized to issue temporary restraining orders  
 9 or preliminary and permanent injunctions to restrain and enjoin violations of  
 10 this Section.

11 (3) In addition, the attorney general may request and the court may  
 12 award the following:

13 (a) Restitution for the aggrieved person or legal entity in an amount  
 14 equivalent to the overcharging, plus interest.

15 (b) Costs incurred by the attorney general's office in pursuing the  
 16 matter.

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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Dawn Romero Watson.

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#### DIGEST

Appel (SB 221)

Proposed law prohibits a political subdivision from charging or imposing a tax upon any person or legal entity, the sole basis of which is the fact that the person or legal entity is domiciled, registered, or organized outside of the jurisdiction of that political subdivision.

Proposed law prohibits a political subdivision from charging or imposing a fee for the general use of the public streets of the political subdivision upon any person or legal entity which is domiciled, registered or organized outside of the jurisdiction of that political subdivision, when such fee is not charged or imposed upon the person or legal entities which are domiciled, residing, registered, organized or doing business within the jurisdiction of that political subdivision.

Proposed law provides for enforcement by the attorney general's office. Authorizes the attorney general to request, and the district court to grant injunctive relief, restitution and costs.

Effective August 15, 2010.

(Adds R.S. 33:9661)

Summary of Amendments Adopted by SenateCommittee Amendments Proposed by Senate Committee on Local and Municipal Affairs to the original bill.

1. Removes provision prohibiting political subdivision from charging or assessing a rate or fee at a higher amount on a Louisiana resident outside of their jurisdiction than a resident of their jurisdiction.
2. Adds provision prohibiting a political subdivision from charging or imposing a fee for the general use of public streets on a nonresident which is not charged or imposed on a resident.
3. Removes provision prohibiting a political subdivision from basing a rate or fee for a good or service at a higher amount for a Louisiana resident outside of their jurisdiction than a resident of their jurisdiction.
4. Add provision prohibiting a political subdivision from charging or imposing a tax, the sole basis of which is the fact the person or entity is a nonresident.
5. Removes provision specifying that prohibited acts include charges or assessments for the rental of assets as well as charges for license, fees, permits and services.