

Regular Session, 2012

SENATE BILL NO. 350

BY SENATOR MURRAY

TAX/LOCAL. Continues indefinitely the levy of a local tax of 0.5% on the gross proceeds derived from the lease or rental of an automobile pursuant to an automobile rental contract in any parish in which collection of the tax is approved by the registered voters of the parish. (7/1/12)

1 AN ACT

2 To amend and reenact R.S. 47:551(A), relative to local taxes; to continue the levy of a local  
3 tax on the gross proceeds derived from the lease or rental of an automobile pursuant  
4 to an automobile rental contract if approved by the registered voters of the parish;  
5 and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:551(A) is hereby amended and reenacted to read as follows:

8 §551. Imposition of tax

9 A.(1) Beginning July 1, 2012, there is hereby levied, subject to the  
10 provisions of Paragraph (2) of this Subsection, for the period from August 1, 1990  
11 ~~through June 30, 2012, a state tax of two and one-half percent and a local tax of one-~~  
12 half of one percent of the gross proceeds derived from the lease or rental of an  
13 automobile pursuant to an automobile rental contract, less any sales and use tax  
14 included in such contract. The tax shall be in addition to any tax, fee, or license  
15 imposed directly or indirectly. The tax shall not apply to any automobile rented by  
16 an insurance company as a replacement vehicle for a policyholder or by an  
17 automobile dealer as a replacement vehicle while a customer's vehicle is being

1 serviced or repaired, nor shall the tax apply to any individual or business who rents  
2 a vehicle as a replacement vehicle while his vehicle is being repaired if the  
3 individual presents to the renter upon return of the rented vehicle a copy of the repair  
4 or service invoice.

5 **(2) The tax shall be collected in a parish only after the question of its levy**  
6 **has been approved by a majority of the registered voters of the parish who vote**  
7 **on the proposition authorizing the tax at an election held for that purpose in**  
8 **accordance with the Louisiana Election Code. The election on the question of**  
9 **the collection of the tax in the parish shall be held at the same time as a**  
10 **regularly scheduled election in the parish.**

11 \* \* \*

12 Section 2. This Act shall become effective on July 1, 2012; if vetoed by the governor  
13 and subsequently approved by the legislature, this Act shall become effective on July 1,  
14 2012, or on the day following such approval by the legislature, whichever is later.

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

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#### DIGEST

Murray (SB 350)

Present law levies for the period from August 1, 1990 through June 30, 2012, a state tax of 2.5% and a local tax of 0.5% of the gross proceeds derived from the lease or rental of an automobile pursuant to an automobile rental contract.

Proposed law continues the levy of the local tax of 0.5% indefinitely in any parish in which collection of the tax is approved by the registered voters of the parish in an election held at the same time as a regularly scheduled election in the parish.

Effective July 1, 2012.

(Amends R.S. 47:551(A))

#### Summary of Amendments Adopted by Senate

##### Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the original bill

1. Before the tax is collected in a parish, requires the approval of the registered voters of the parish election held at the same time as a regularly scheduled election in the parish.