

2016 First Extraordinary Session

HOUSE BILL NO. 60

BY REPRESENTATIVE HAVARD

TAX/SALES-USE-EXEMPT: Provides with respect to the sales of certain food and beverages at convenience stores (Item #36)

1 AN ACT

2 To amend and reenact R.S. 47:305(D)(3)(a), relative to state sales and use tax exemptions;  
3 to provide for definitions; to provide with respect to the taxability of sales of food  
4 and beverages in certain circumstances; to provide for effectiveness; and to provide  
5 for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:305(D)(3)(a) is hereby amended and reenacted to read as follows:

8 §305. Exclusions and exemptions from the tax

9 \* \* \*

10 D.

11 \* \* \*

12 (3)(a)(i) Except as provided in Subparagraph (b) of this Paragraph,  
13 food sales by restaurants, drive-ins, snack bars, candy and nut counters, private  
14 clubs, and sales made by an establishment not specifically exempted elsewhere who  
15 furnish facilities for the consumption of the food on the premises are not exempt  
16 from the taxes imposed by taxing authorities.

17 (ii) Food and beverages sold at a convenience store are neither "food for  
18 home consumption" nor "package foods requiring further preparation by the  
19 purchaser" and thus are not exempt from taxes imposed by taxing authorities. For  
20 purposes of this Item, "convenience store" means a retail business that is smaller in

1        square footage than a full-line grocery store, discount store, department store, or  
2        pharmacy, and that places primary emphasis on providing the public convenient  
3        locations from which to quickly purchase from limited lines of consumable products.  
4        Further, the sales of a convenience store shall consist primarily of motor fuels and  
5        lubricants; snack foods, including sandwiches, hot dogs, candy, nuts, and chips; beer;  
6        liquor; wine; tobacco products; soft drinks; fishing baits; newspapers; and  
7        magazines, and the same must be sufficiently diversified within these product lines  
8        so that the business is not classified as a speciality retailer such as a liquor retailer,  
9        sandwich shop, newsstand, or tobacco shop.

\* \* \*

11        Section 2. This Act shall become effective on April 1, 2016.

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 60 Original	2016 First Extraordinary Session	Havard
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**Abstract:** Establishes that sales of food and beverages at a convenience store are neither "food for home consumption" nor "food requiring further preparation by the purchaser" and are not exempt from state and local sales and use taxes.

Present constitution establishes an exemption from state sales and use tax for "food for home consumption" and references specific definitions in law in 2003, which remain today in present law as follows:

- (1) Food sold for preparation and consumption in the home including bakery products.
- (2) Dairy products.
- (3) Soft drinks.
- (4) Fresh fruits and vegetables.
- (5) Package foods requiring further preparation by the purchaser.

Present law establishes exemptions for the foregoing items.

Proposed law retains present law and provides that food and beverages sold at a convenience store are neither "food for home consumption" nor "foods requiring further preparation by the purchaser", and thus are not exempt from taxes imposed by taxing authorities.

Effective April 1, 2016.

(Amends R.S. 47:305(D)(3)(a))