

2023 Regular Session

HOUSE BILL NO. 641

BY REPRESENTATIVE BISHOP

TAX: Provides for the termination of certain tax exemptions, exclusions, credits, deductions, and other tax incentives

1 AN ACT

2 To amend and reenact R.S. 3:84 and 147, R.S. 4:168 and 227, R.S. 22:2065, R.S.

3 33:4169(D), R.S. 47:182, 223, 301(1), (16)(b), 302.1(A), 337.6, 337.9(A), (B), (C),

4 and (D), 337.10(A)(introductory paragraph), (E), (G), (I)(1), (M), (N), and (P),

5 337.11(introductory paragraph), (1), (2), and (12), 337.15(B)(2), 6001(A), 6033(G),

6 and 9052(E), to enact R.S. 39:467(I) and 468(I), R.S. 47:305.25(D), 305.37(C),

7 305.54(H), 305.58(G), 305.62(G), 3204(M), and 4302(E), and R.S. 51:2399.3(C),

8 and to repeal R.S. 6:662, R.S. 12:302(K) and (L), R.S. 17:3095(A)(1)(b) and (c),

9 3098(E), 3100.5(A)(1), and 3389, R.S. 25:1226 through 1226.6, R.S. 26:421, R.S.

10 47:8, 11, 12, 33(A)(7), 34, 35, 37, 44, 49 through 51, 53 through 71, 79, 111(A)(11),

11 121, 158, 183, 224(C), 226(C), 242, 246, 265, 287.71(B)(2) and (8), 287.73(C),

12 287.82, 287.86, 287.501(B)(2), 287.521, 287.526, 287.664, 287.738(F) and (G),

13 287.743, 287.745, 287.748, 287.749, 287.750, 287.752, 287.753, 287.755, 287.756,

14 287.758, 287.759, 293(2)(a), (3), (5), (7), (9)(a)(vi), (x), (xvii), and (xx), and (11),

15 297(A) through (D) and (H) through (P), 297.1 through 297.4, 297.6 through 297.13,

16 297.15, 297.16, 297.18 through 297.22, 300.6(B)(2)(b) and (d), 300.7 (C)(2),

17 301(3)(a) through (c), (e),(g) through (k), (4)(k), (6)(b) and (c), (7)(b) through (h)

18 and (j) through (m), (8)(b) and (d) through (f), (10)(a), (b), (c)(i)(aa)(II) and (bb) and

19 (ii), (d), (e), (h) through (s), (v), and (w) through (hh), (13)(a) through (c) and (e)

20 through (m), (14)(b)(i)(bb), (ii) through (iv), (g)(iii) and (iv), (h), (j) and

1 (k),(16)(c),(e) through (p), (18)(a), (c), (d)(ii) and (e) through (p), and (28),  
2 301.1(B)(2) and (D), 302(D), 305(A)(1) through (C), (D)(1)(a) through (i), (k)  
3 through (m), (s), and (t), and (2) through (6), and (F) through (I), 305.1 through  
4 305.9, 305.13 through 305.24, 305.26, 305.28, 305.33, 305.36, 305.38, 305.40,  
5 305.45, 305.47, 305.49 through 305.53, 305.57, 305.59 through 305.61, 305.63,  
6 305.65 through 305.71, 305.74, 337.9(C)(19) and (20) and (D)(28), 337.10.2, 602(C)  
7 through (H), 633(7)(b) through (d), (9)(b), (c), (d)(v), and (e), 633.4, 633.5, 648.21,  
8 713, 716.1, 818.14(A)(3), 855, 6003, 6005 through 6006.1, 6008 through 6018, 6021  
9 through 6023, 6025 through 6032, 6035, 6036, 6037, 6040 through 6042, 6104  
10 through 6107, and 6301 and R.S. 51:1801 through 1808, 2351 through 2356, and  
11 3081 through 3094, relative to taxation; to terminate certain individual, corporation,  
12 and fiduciary income tax exemptions, exclusions, reductions, deductions, and credits;  
13 to terminate certain corporation franchise tax exemptions, deductions, and credits;  
14 to terminate the tobacco tax exemption for sales to state institutions; to terminate the  
15 tax exemption for alcohol used for antiseptic, scientific, religious, and chemical uses;  
16 to terminate certain severance tax suspensions, special rates, and deductions; to  
17 terminate certain state sales and use tax exclusions and exemptions; to terminate  
18 certain petroleum product tax exemptions; to provide for definitions; to provide for  
19 definitions applicable to certain local sales and use taxes; to provide with respect to  
20 sales and use taxes on certain sales of tangible personal property; to provide with  
21 respect to sales and use taxes on motor vehicles; to provides with respect to sales and  
22 use taxes on manufacturing an machinery equipment; to provide with respect to sales  
23 and use taxes on certain residential and business utilities; to provide with respect to  
24 sales and use taxes on certain educational materials; to provide with respect to sales  
25 and use taxes on certain oilfield property; to provide with respect to sales and use  
26 taxes on certain transactions involving airplanes or airplane equipment; to provide  
27 with respect to sales and use taxes on certain natural gas and diesel purchases; to  
28 provide with respect to sales and use taxes on purchases by certain nonprofit entities;  
29 to provide with respect to sales and use taxes on sales of marijuana recommended for

1 therapeutic use; to provide with respect to sales and use taxes on agricultural  
2 equipment, goods, and commodities; to provide with respect to sales and use taxes  
3 on pollution control devices; to provide with respect to sales and use taxes on  
4 purchases by volunteer and public fire departments; to provide with respect to sales  
5 and use taxes on property sold to food banks; to provide with respect to sales and use  
6 taxes on sales of food items by certain youth organizations; to provide with respect  
7 to certain sales and use taxes on certain telecommunications; to provide with respect  
8 to certain sales and use taxes on toys to be donated; to provide with respect to certain  
9 sales and use taxes on storm shutter devices; to provide with respect to sales and use  
10 taxes at certain Louisiana heritage and culture events; to provide with respect to sales  
11 and use taxes on items sold to nonprofit carnival organizations; to provide with  
12 respect to sales and use taxes on admissions to certain events; to provide with respect  
13 to sales and use taxes on certain membership dues; to provide with respect to sales  
14 and use taxes on admission to certain places of amusement; to provide with respect  
15 to sales and use taxes on certain repairs; to provide with respect to sales and use  
16 taxes on certain metals and coins; to provide with respect to sales and use taxes on  
17 work product of certain professionals; to provide with respect to sales and use taxes  
18 on certain pharmaceuticals; to provide with respect to sales and use taxes on  
19 computer software; to provide with respect to sales and use taxes on materials used  
20 in the medical industry; to provide with respect to sales and use taxes on purchases  
21 by motor vehicle manufacturers; to provide with respect to sales and use taxes on  
22 sales of newspapers; to provide with respect to sales and use taxes on sales of  
23 advertising services; to provide with respect to sales and use taxes at certain state-  
24 owned facilities; to provide with respect to sales and use taxes on boats, vessels, and  
25 other water craft used as demonstrators; to provide with respect to certain livestock  
26 and racehorses; to provide with respect to sales and use taxes on feed and feed  
27 additives; to provide with respect to sales and use taxes on materials use for  
28 production or harvesting of certain seafood; to provide with respect to sales and use  
29 taxes on certain medical devices; to provide with respect to sales and use taxes on

1 fertilizers and containers; to provide with respect to sales and use taxes on sales of  
2 trucks, automobiles, and aircraft used as demonstrators; to provide with respect to  
3 sales and use taxes on purchases of certain admission tickets to dances, dramas,  
4 theater or other performance; to provide with respect to sales and use taxes on  
5 purchases and sales of Ducks Unlimited and Bass Life; to provide with respect to  
6 sales and use taxes on certain railroad equipment and track; to provide with respect  
7 to sales and use taxes on certain trucks and trailers; to provide with respect to sales  
8 and use taxes on purchases of certain water conservation equipment; to provide with  
9 respect to sales and use taxes on certain capital equipment of qualifying radiation  
10 therapy treatment centers; to provide with respect to sales and use taxes on purchases  
11 to parish councils on aging; to provide with respect to sales and use taxes on  
12 purchases of certain construction materials used by certain nonprofit and charitable  
13 organizations; to provide with respect to qualified new recycling manufacturing or  
14 process equipment and service tax exemption contracts; to provide with respect to  
15 tax credits for local inventory taxes paid; to provide with respect or to tax credits for  
16 taxes paid related to vessels in Outer Continental Shelf Lands Act waters; to provide  
17 with respect to tax credits for donations made to assist playgrounds in economically  
18 depressed areas; to provide with respect to tax credits for donations made to public  
19 schools; to provide with respect to tax credits for property taxes paid by certain  
20 telephone companies; to provide with respect to tax credits for research and  
21 development businesses in Louisiana; to provide with respect to tax credits for  
22 businesses established in disadvantaged areas of Louisiana; to provide with respect  
23 to tax credits for certain expenses paid by economic development corporations; to  
24 provide with respect to tax credits for purchases from prison industry enhancement  
25 contractors; to provide with respect to tax credits for the rehabilitation of historic  
26 structures; to provide with respect to tax credits for angel investors; to provide with  
27 respect to tax credits for businesses producing digital and interactive media products;  
28 to provide with respect to tax credits for businesses in the music and sound recording  
29 industry; to provide with respect to tax credits for Louisiana Citizens Property

1 Insurance Corporation assessment; to provide for tax credits for certain investors in  
 2 the Cane River Heritage Area; to provide with respect to tax credits for donations to  
 3 certain certified community development corporations; to provide with respect to tax  
 4 credits for certain milk producers; to provide with respect to tax credits for musical  
 5 and theatrical productions; to provide with respect to tax incentives for urban  
 6 revitalization; to provide with respect to tax credits for technology  
 7 commercialization and jobs; to provide with respect to tax credits for certain  
 8 individuals or businesses that invest in Louisiana Community Development  
 9 Financial Institutions; to provide relative to tax credits for donations to certain school  
 10 tuition organizations; to provide for effectiveness; and to provide for related matters.

11 Be it enacted by the Legislature of Louisiana:

12 Section 1. R.S. 3:84 and 147 are hereby amended and reenacted to read as follows:

13 §84. License fee and tax liability

14 Each association organized under this Part shall pay an annual license fee of  
 15 ten dollars to the secretary of state, and shall be exempt from all ~~franchise~~ or other  
 16 license taxes, but not from ad valorem property taxes. The provisions of this Section  
 17 shall likewise apply to associations and corporations organized under the laws of the  
 18 United States for the sole purpose of extension of credit to farmers and farmers'  
 19 co-operative associations.

20 \* \* \*

21 §147. Annual license fees

22 Each association organized hereunder shall pay an annual license fee of ten  
 23 dollars, but shall be exempt from all ~~franchise~~ or other license taxes, except upon its  
 24 real estate, furniture, and fixtures.

25 Section 2. R.S. 4:168 and 227 are hereby amended and reenacted to read as follows:

26 §168. License fees, commissions, and taxes ~~of this Part~~ in lieu of all other ~~such~~  
 27 taxes

28 The license fees, commissions, and taxes imposed in this Part are in lieu of  
 29 all other ~~such~~ licenses, ~~sales~~, excise, and occupational taxes to the state ~~or~~ and are



1 Section 5. R.S. 39:467(I) and 468(I) are hereby enacted to read as follows:

2 §467. Sales of services and tangible personal property at a publicly owned domed  
3 stadium facility or baseball facility; sales and use tax; exemptions

4 \* \* \*

5 I. Notwithstanding any other provision of law, beginning January 1, 2027,  
6 the exemptions provided for in this Section shall not apply to state sales and use  
7 taxes.

8 §468. Sales of services and tangible personal property at certain public facilities;  
9 sales and use tax; exemptions

10 \* \* \*

11 I. Notwithstanding any other provision of law, beginning January 1, 2027,  
12 the exemptions provided for in this Section shall not apply to state sales and use  
13 taxes.

14 Section 6. R.S. 47:182, 223, 301(1), (16)(b), 302.1(A), 337.6, 337.9(A), (B), (C), and  
15 (D), 337.10(A)(introductory paragraph), (E), (G), (I)(1), (M), (N), and (P),  
16 337.11(introductory paragraph), (1), (2), and (12), 337.15(B)(2), 6001(A), 6033(G), and  
17 9052(E) are hereby amended and reenacted and R.S. 47:305.25(D), 305.37(C), 305.54(H),  
18 305.58(G), 305.62(G), 3204(M), and 4302(E) are hereby enacted to read as follows:

19 §182. Net income of estate or trust

20 The net income of the estate or trust shall be computed in the same manner  
21 and on the same basis as in the case of an individual, ~~except that:~~

22 ~~(1) There shall be allowed as a deduction in lieu of the deduction for~~  
23 ~~charitable and other contributions authorized by R.S. 47:57, any part of the gross~~  
24 ~~income, without limitation, which, pursuant to the terms of the will or deed creating~~  
25 ~~the trust, is during the taxable year paid or permanently set aside for the purposes and~~  
26 ~~in the manner specified in R.S. 47:57, or is to be used exclusively for religious,~~  
27 ~~charitable, scientific, literary, or educational purposes, or for the prevention of~~  
28 ~~cruelty to children or animals, or for the establishment, acquisition, maintenance or~~  
29 ~~operation of a public cemetery not operated for profit;~~





1           ~~(2) An amount equal to four per centum (4%) of the mean of the reserve~~  
2           ~~funds required by law and held at the beginning and end of the taxable year, except~~  
3           ~~in the case of any such reserve fund which is computed at a lower interest~~  
4           ~~assumption rate, the rate of three and three-fourths per centum (3 3/4%) shall be~~  
5           ~~substituted for four per centum (4%). Life insurance companies issuing policies~~  
6           ~~covering life, health, and accident insurance combined in one policy issued on the~~  
7           ~~weekly premium payment plan, continuing for life and not subject to cancellation,~~  
8           ~~shall be allowed, in addition to the above, a deduction of three and three-fourths per~~  
9           ~~centum (3 3/4%) of the mean of such reserve funds (not required by law) held at the~~  
10           ~~beginning and end of the taxable year, as the collector finds to be necessary for the~~  
11           ~~protection of the holders of such policies only;~~

12           ~~(3) The amount of dividends from a domestic or foreign corporation which~~  
13           ~~is subject to taxation under this Chapter;~~

14           ~~(4) An amount equal to two per centum (2%) of any sums held at the end of~~  
15           ~~the taxable year as a reserve for dividends (other than dividends payable during the~~  
16           ~~year following the taxable year), the payment of which is deferred for a period of not~~  
17           ~~less than five (5) years from the date of the policy contract;~~

18           ~~(5) Investment expenses paid during the taxable year, provided, that if any~~  
19           ~~general expenses are in part assigned to or included in the investment expenses, the~~  
20           ~~total deduction under this paragraph shall not exceed one-fourth of one per centum~~  
21           ~~(1/4%) of the book value of the mean of the invested assets held at the beginning and~~  
22           ~~end of the taxable year;~~

23           ~~(6) Taxes and other expenses paid during the taxable year exclusively upon~~  
24           ~~or with respect to the real estate owned by the company, not including taxes assessed~~  
25           ~~against local benefits of a kind tending to increase the value of the property assessed,~~  
26           ~~and not including any amount paid out for new buildings, or for permanent~~  
27           ~~improvements or betterments made to increase the value of any property. The~~  
28           ~~deduction allowed by this paragraph shall be allowed in the case of taxes imposed~~  
29           ~~upon a shareholder of a company upon his interest as a shareholder, which are paid~~

1 by the company without reimbursement from the shareholder, but in such cases no  
2 deduction shall be allowed the shareholder for the amount of such taxes;

3 (7) ~~A reasonable allowance as provided in R.S. 47:65 for the exhaustion,~~  
4 ~~wear and tear of property, including a reasonable allowance for obsolescence;~~

5 (8) ~~All interest paid within the taxable year on its indebtedness, except on~~  
6 ~~indebtedness incurred or continued to purchase or carry, or the proceeds of which~~  
7 ~~were used to purchase or carry obligations, the interest upon which is wholly exempt~~  
8 ~~from taxation under this Chapter; and~~

9 (9) ~~Net additions made within the taxable year to reserve funds, and sums~~  
10 ~~paid within the taxable year on policy and annuity contracts.~~

11 B. ~~Rental value of real estate. The deduction under Sub-section A(6) or (7)~~  
12 ~~of this Section on account of any real estate owned and occupied in whole or in part~~  
13 ~~by a life insurance company, shall be limited to an amount which bears the same~~  
14 ~~ratio to such deduction, computed without regard to this subsection, as the rental~~  
15 ~~value of the space not so occupied bears to the rental value of the entire property.~~

16 \* \* \*

17 §301. Definitions

18 As used in this Chapter, the following words, terms, and phrases have the  
19 meanings ascribed to them in this Section, unless the context clearly indicates a  
20 different meaning:

21 (1) "Business" includes any activity engaged in by any person or caused to  
22 be engaged in by him with the object of gain, benefit, or advantage, either direct or  
23 indirect. ~~The term "business" shall not be construed to include the occasional and~~  
24 ~~isolated sales by a person who does not hold himself out as engaged in business.~~

25 \* \* \*

26 (16)

27 \* \* \*

28 (b) The term "tangible personal property" shall not include:

29 (i) ~~Stocks, stocks, bonds, notes, or other obligations or securities.~~



1 §305.54. Exemption; Annual Louisiana Sales Tax Holidays Act

2 \* \* \*

3 H. Notwithstanding any other provision of law, beginning January 1, 2027,  
4 the exemption provided for in this Section shall not apply to state sales and use taxes.

5 \* \* \*

6 §305.58. Exemption; annual sales tax holiday; hurricane-preparedness items or  
7 supplies; dates; restrictions

8 \* \* \*

9 G. Notwithstanding any other provision of law, beginning January 1, 2027,  
10 the exemptions provided for in this Section shall not apply to state sales and use  
11 taxes.

12 \* \* \*

13 §305.62. Exemption; Annual Louisiana Second Amendment Weekend Holiday

14 \* \* \*

15 G. Notwithstanding any other provision of law, beginning January 1, 2027,  
16 the exemptions provided for in this Section shall not apply to state sales and use  
17 taxes.

18 \* \* \*

19 §337.6. Definitions

20 ~~A.~~ The following words, terms, and phrases used in this Chapter shall have  
21 the meaning ascribed to them in this Subsection, unless the context clearly indicates  
22 a different meaning:

23 (1) ~~"Local ordinance", for purposes of this Chapter, shall include both~~  
24 ~~ordinances and resolutions pursuant to which a political subdivision levies a sales~~  
25 ~~and use tax and otherwise provides with respect thereto. "Business" includes any~~  
26 activity engaged in by any person or caused to be engaged in by him with the object  
27 of gain, benefit, or advantage, either direct or indirect. The term "business" shall not  
28 be construed to include the occasional and isolated sales by a person who does not  
29 hold himself out as engaged in business.

1           (2) ~~"Political subdivision" means a parish, municipality, and any other unit~~  
2 ~~of local government, including a school board and a special district, authorized by~~  
3 ~~law to levy and collect a sales and use tax. "Collector" shall mean and include (a)~~  
4 ~~the secretary of the Department of Revenue for the state of Louisiana and includes~~  
5 ~~his duly authorized assistants, when used in reference to a sales and use tax levied~~  
6 ~~by the state, or (b) the individual or entity designated as collector of the appropriate~~  
7 ~~single sales and use tax collection office, and his duly authorized assistants, of any~~  
8 ~~political subdivision authorized under the constitution and laws of the state of~~  
9 ~~Louisiana to levy and collect a sales and use tax, except a statewide political~~  
10 ~~subdivision, when used in reference to a sales and use tax levied by such political~~  
11 ~~subdivision.~~

12           (3) ~~"Secretary" or "secretary of revenue" means the secretary of the~~  
13 ~~Department of Revenue for the state of Louisiana. (a) Except as provided in~~  
14 ~~Subparagraph (b) of this Paragraph, the term "commercial farmer" shall mean only~~  
15 ~~those persons occupationally engaged in producing food or agricultural commodities~~  
16 ~~for sale. This term is limited to those persons, partnerships, or corporations regularly~~  
17 ~~engaged in the commercial production for sale of vegetables, fruits, crops, livestock,~~  
18 ~~poultry, and other food or agricultural products that report farm income and expenses~~  
19 ~~on a federal Schedule F or similar federal tax form, including but not limited to 1065,~~  
20 ~~1120, and 1120S filed by a person assigned a North American Industry Classification~~  
21 ~~System (NAICS) Code beginning with 11. The Department of Revenue, in~~  
22 ~~consultation with the Department of Agriculture and Forestry, shall develop and~~  
23 ~~promulgate rules to determine who meets this definition.~~

24           (b) Notwithstanding the provisions of Subparagraph (a) of this Paragraph,  
25 the term "commercial farmer" may include a landowner who is a party of a joint  
26 venture and who leases land to a commercial farmer as defined in Subparagraph (a)  
27 of this Paragraph. In order to qualify as a commercial farmer, the lessee landowner  
28 shall submit documentation of the joint venture arrangement or a report of farm  
29 income and expenses, including proof of lease income, from the joint venture on a

1 federal Schedule F form or similar federal tax form to the Department of Revenue  
2 in order for the secretary of the department to make a determination that the taxpayer  
3 is a commercial farmer.

4 (4) The term "computer software" means a set of statements, data, or  
5 instructions to be used directly or indirectly in a computer in order to bring about a  
6 certain result in any form in which those statements, data, or instructions may be  
7 embodied, transmitted, or fixed, by any method now known or hereafter developed,  
8 regardless of whether the statements, data, or instructions are capable of being  
9 perceived by or communicated to humans. Computer software includes all types of  
10 software including operational, applicational, utilities, compilers, and all other forms.

11 (5)(a) "Cost price" means the actual cost of the articles of tangible personal  
12 property without any deductions therefrom on account of the cost of materials used,  
13 labor, or service cost, except those service costs for installing the articles of tangible  
14 personal property if such cost is separately billed to the customer at the time of  
15 installation, transportation charges, or any other expenses whatsoever, or the  
16 reasonable market value of the tangible personal property at the time it becomes  
17 susceptible to the use tax, whichever is less.

18 (b) In the case of tangible personal property which has acquired a tax situs  
19 in a taxing jurisdiction and is thereafter transported outside the taxing jurisdiction for  
20 repairs performed outside the taxing jurisdiction and is thereafter returned to the  
21 taxing jurisdiction, the cost price shall be deemed to be the actual cost of any parts  
22 and/or materials used in performing such repairs, if applicable labor charges are  
23 separately stated on the invoice. If the applicable labor charges are not separately  
24 stated on the invoice, it shall be presumed that the cost price is the total charge  
25 reflected on the invoice.

26 (c) "Cost price" shall not include the supplying and installation of board  
27 roads to oil field operators if the installation charges are separately billed to the  
28 customer at the time of installation.

1           (d)(i) In the case of interchangeable components located in Louisiana, a  
2           taxpayer may elect to determine the cost price of such components as follows:

3           (aa) The taxpayer shall send to the secretary written notice of the calendar  
4           month selected by the taxpayer as the first month for the determination of cost price  
5           under this Paragraph (the "First Month"). The taxpayer may select any month. The  
6           taxpayer shall send to the secretary notice of an election to designate a First Month  
7           on the first day of the designated First Month, or ninety days from July 1, 1990,  
8           whichever is later.

9           (bb) For the First Month and each month thereafter, cost price shall be based  
10           and use tax shall be paid only on one-sixtieth of the aggregate cost price of the  
11           interchangeable components deployed and earning revenue within Louisiana during  
12           the month, without regard to any credit or other consideration for Louisiana state,  
13           political subdivision, or school board use tax previously paid on such  
14           interchangeable components.

15           (cc) Any election made under this Paragraph shall be irrevocable for a period  
16           of sixty consecutive months inclusive of the First Month. If at any time after the  
17           sixty-month period the taxpayer revokes its election, no credit or other consideration  
18           for use taxes paid pursuant thereto shall be applied to any use tax liability arising  
19           after such revocation.

20           (ii)(aa) For purposes of this Subparagraph, "interchangeable component"  
21           means a component that is used or stored for use in measurement-while-drilling  
22           instruments or systems manufactured or assembled by the taxpayer, which  
23           measurement-while-drilling instruments or systems collectively generate eighty  
24           percent or more of their annual revenue from their use outside of the state.

25           (bb) "Measurement-while-drilling instruments or systems" means  
26           instruments or systems which measure information from a downhole location in a  
27           borehole, transmit the information to the surface during the process of drilling the  
28           borehole using a wireless technique, and receive and decode the information on the  
29           surface.

1           (iii) The method for determining cost price of interchangeable components  
2           provided for in this Subparagraph shall apply to any use taxes imposed by a local  
3           political subdivision or school board. For purposes of that application, the words  
4           "political subdivision" or "school board" as the case may be, shall be substituted for  
5           the words "Louisiana" or "state" in each instance where those words appear in this  
6           Subparagraph and an appropriate official of the local political subdivision or school  
7           board shall be designated to receive the notices required by this Subparagraph.

8           (e) "Cost price" shall not include any amount designated as a cash discount  
9           or a rebate by a vendor or manufacturer of any new vehicle subject to the motor  
10           vehicle license tax. For purposes of this Subparagraph "rebate" means any amount  
11           offered by the vendor or manufacturer as a deduction from the listed retail price of  
12           the vehicle.

13           (f) The "cost price" of refinery gas shall be fifty-two cents per thousand  
14           cubic feet multiplied by a fraction the numerator of which shall be the posted price  
15           for a barrel of West Texas Intermediate Crude Oil on December first of the preceding  
16           calendar year and the denominator of which shall be twenty-nine dollars, and  
17           provided further that such cost price shall be the maximum value placed upon  
18           refinery gas by any political subdivision under any authority or grant of power to  
19           levy and collect use taxes.

20           (g) "Cost price", for purposes of the use tax imposed by a political  
21           subdivision, shall exclude any amount that a manufacturer pays directly to a dealer  
22           of the manufacturer's product for the purpose of reducing and that actually results in  
23           an equivalent reduction in the retail "cost price" of that product. This exclusion shall  
24           not apply to the value of the coupons that dealers accept from purchasers as part  
25           payment of the "sales price" and that are redeemable by the dealers through  
26           manufacturers or their agents. The value of such coupons is deemed to be part of the  
27           "cost price" of the product purchased through the use of the coupons.



1           (h) For purposes of a publishing business which distributes its news  
2           publications at no cost to readers and pays unrelated third parties to print such news  
3           publications, the term "cost price" shall mean only the lesser of the following costs:

4           (i) The printing cost paid to unrelated third parties to print such news  
5           publications, less any itemized freight charges for shipping the news publications  
6           from the printer to the publishing business and any itemized charges for paper and  
7           ink.

8           (ii) Payments to a dealer or distributor as consideration for distribution of the  
9           news publications.

10           (6)(a) The term "custom computer software" means computer software  
11           prepared, created, adapted, or modified to the special order of a particular purchaser,  
12           licensee, or user; or to meet the specific needs or requirements of a particular  
13           purchaser, licensee, or user, regardless of the means by or through which such  
14           computer software is furnished, delivered, or transmitted, and regardless of whether  
15           such software incorporates or consists of preexisting routines, utilities, or other  
16           computer software components.

17           (b) In order to be considered "custom computer software", the computer  
18           software must require preparation, creation, adaption, or modification by the vendor  
19           in order to be used in a specific work environment or to perform a specific function  
20           for the user.

21           (c) Updates, upgrades, and new versions of custom computer software shall  
22           be considered custom computer software, provided such upgrades, updates, and new  
23           versions meet the definition of custom computer software contained in this Chapter.

24           (7) "Dealer" includes every person who manufactures or produces tangible  
25           personal property for sale at retail, for use, or consumption, or distribution, or for  
26           storage to be used or consumed in a taxing jurisdiction. "Dealer" is further defined  
27           to mean:

28           (a) Every person who imports, or causes to be imported, tangible personal  
29           property from any other state, foreign country, or other taxing jurisdiction for sale

1 at retail, for use, consumption, distribution, or storage to be used or consumed in a  
2 taxing jurisdiction.

3 (b) Every person who sells at retail, or who offers for sale at retail, or who  
4 has in his possession for sale at retail, or for use, consumption, distribution, or  
5 storage to be used or consumed in the taxing jurisdiction, tangible personal property  
6 as defined herein.

7 (c) Any person who has sold at retail, or used, consumed, distributed, or  
8 stored for use or consumption in the taxing jurisdiction, tangible personal property  
9 and who cannot prove that the tax levied by this Chapter has been paid on the sale  
10 at retail, use, consumption, distribution, or storage of said tangible personal property.

11 (d)(i) Any person who leases or rents tangible personal property for a  
12 consideration, permitting the use or possession of the property without transferring  
13 title thereto.

14 (ii) However, a person who leases or rents tangible personal property to  
15 customers who provide information to such person that they will use the property  
16 only offshore beyond the territorial limits of the state shall not be included in the  
17 term "dealer" for purposes of the collection of the rental or lease tax of a political  
18 subdivision on such lease or rental contracts. For purposes of this Item, "use" means  
19 the operational or functional use of the property and not other uses related to its  
20 possession such as transportation, maintenance, and repair. It is the intention of this  
21 Item that the customers of such persons shall remit any tax due on the lease or rental  
22 of such property directly to the local taxing body to whom they are due.

23 (e) Any person who is the lessee or rentee of tangible personal property and  
24 who pays to the owner of such property a consideration for the use or possession of  
25 such property without acquiring title thereto.

26 (f)(i) Any person, who sells or furnishes any of the services subject to tax  
27 under this Chapter.

28 (ii) Under guidelines enacted by the Legislature of Louisiana during the 2016  
29 Regular Session, any person engaged in collecting the amount required to be paid by

1 a transient guest as a condition of occupancy at a residential location as provided for  
2 in Item (11)(a)(ii) of this Section.

3 (iii) For purposes of this Chapter, dealer shall not include persons leasing  
4 apartments or single family dwellings on a month-to-month basis.

5 (g) Any person, as used in this Chapter, who purchases or receives any of the  
6 services subject to tax under this Chapter.

7 (h) Any person engaging in business in the taxing jurisdiction. "Engaging  
8 in business in the taxing jurisdiction" means and includes any of the following  
9 methods of transacting business: maintaining directly, indirectly, or through a  
10 subsidiary an office, distribution house, sales house, warehouse, or other place of  
11 business or by having an agent, salesman, or solicitor operating within the taxing  
12 jurisdiction under the authority of the seller or its subsidiary irrespective of whether  
13 such place of business, agent, salesman, or solicitor is located in such taxing  
14 jurisdiction permanently or temporarily or whether such seller or subsidiary is  
15 qualified to do business in such taxing jurisdiction, or any person who makes  
16 deliveries of tangible personal property into the taxing jurisdiction other than by a  
17 common or contract carrier.

18 (i) Any person who sells at retail any tangible personal property to a vending  
19 machine operator for resale through coin-operated vending machines.

20 (j) Any person who makes deliveries of tangible personal property into the  
21 taxing jurisdiction in a vehicle owned or operated by the person.

22 (k) The term "dealer" shall not include lessors of railroad rolling stock used  
23 either for freight or passenger purposes. However, the term "dealer" shall include  
24 lessees, other than a railway company or railroad corporation, of such property and  
25 such lessees shall be responsible for the collection and payment of all local sales and  
26 use taxes.

27 (l)(i) Any person who sells for delivery into Louisiana tangible personal  
28 property, products transferred electronically, or services, and who does not have a

1 physical presence in Louisiana, if during the previous or current calendar year either  
2 of the following criteria was met:

3 (aa) The person's gross revenue for sales delivered into Louisiana has  
4 exceeded one hundred thousand dollars from sales of tangible personal property,  
5 products transferred electronically, or services.

6 (bb) The person sold for delivery into Louisiana tangible personal property,  
7 products transferred electronically, or services in two hundred or more separate  
8 transactions.

9 (ii) A person without a physical presence in Louisiana may voluntarily  
10 register for and collect state and local sales and use taxes as a dealer, even if he does  
11 not meet the criteria established in Item (i) of this Subparagraph.

12 (m)(i) Any person who operates, maintains, or facilitates a peer-to-peer  
13 vehicle sharing program and collects any amount required to be paid as part of a  
14 vehicle sharing program agreement whereby a shared vehicle owner leases or rents  
15 a shared vehicle to a shared vehicle driver in this state.

16 (ii) For the purposes of this Subparagraph, the following definitions shall  
17 apply:

18 (aa) "Peer-to-peer vehicle sharing" means the authorized use of a vehicle by  
19 a person other than the vehicle's owner through a peer-to-peer car sharing program.

20 (bb) "Peer-to-peer vehicle sharing program" means a business platform that  
21 connects a shared vehicle owner with a shared vehicle driver to enable the sharing  
22 of vehicles for financial consideration.

23 (cc) "Shared vehicle" means a vehicle that is available for sharing through  
24 a peer-to-peer vehicle sharing program.

25 (dd) "Shared vehicle driver" means a person who has been authorized to  
26 drive the shared vehicle by the shared vehicle owner under a vehicle sharing program  
27 agreement.

1           ~~(ee) "Shared vehicle owner" means the registered owner, or a person or~~  
2           ~~entity designated by the registered owner, of a shared vehicle made available for~~  
3           ~~sharing to shared vehicle drivers through a peer-to-peer vehicle sharing program.~~

4           ~~(ff) "Vehicle sharing program agreement" means the terms and conditions~~  
5           ~~applicable to a shared vehicle owner and a shared vehicle driver that govern the use~~  
6           ~~of a shared vehicle through a peer-to-peer vehicle sharing program.~~

7           ~~(8) "Drugs" includes all pharmaceuticals and medical devices which are~~  
8           ~~prescribed for use in the treatment of any medical disease.~~

9           ~~(9) "Free hospital" means a hospital that does not charge any patients for~~  
10          ~~health care provided by the hospital.~~

11          ~~(10) "Gross sales" means the sum total of all retail sales of tangible personal~~  
12          ~~property, without any deduction whatsoever of any kind or character except as~~  
13          ~~provided in this Chapter.~~

14          ~~(11)(a) "Hotel" means and includes any establishment or person engaged in~~  
15          ~~the business of furnishing sleeping rooms, cottages, or cabins to transient guests,~~  
16          ~~where such establishment consists of sleeping rooms, cottages, or cabins at any of~~  
17          ~~the following:~~

18                 ~~(i) A single business location.~~

19                 ~~(ii) A residential location, including but not limited to a house, apartment,~~  
20                 ~~condominium, camp, cabin, or other building structure used as a residence.~~

21                 ~~(iii) For purposes of this Chapter, hotel shall not mean or include any~~  
22                 ~~establishment or person leasing apartments or single family dwelling on a month-to-~~  
23                 ~~month basis.~~

24                 ~~(b) For purposes of the local sales and use taxes of all political subdivisions~~  
25                 ~~in the state, the term "hotel" as defined herein shall not include camp and retreat~~  
26                 ~~facilities owned and operated by nonprofit organizations exempt from federal income~~  
27                 ~~tax under Section 501(a) of the Internal Revenue Code as an organization described~~  
28                 ~~in Section 501(c)(3) of the Internal Revenue Code provided that the net revenue~~  
29                 ~~derived from the organizations's property is devoted wholly to the nonprofit~~

1 organization's purposes. However, for purposes of this Paragraph, the term "hotel"  
2 shall include camp and retreat facilities which shall sell rooms or other  
3 accommodations to transient guests who are not attending a function of such  
4 nonprofit organization that owns and operates the camp and retreat facilities or a  
5 function of another nonprofit organization exempt from federal income tax under  
6 Section 501(a) of the Internal Revenue Code as an organization described in Section  
7 501(c)(3) of the Internal Revenue Code. It is the intention of the legislature to tax  
8 the furnishing of rooms to those who merely purchase lodging at such facilities.

9 (c) For purposes of the local sales and use taxes of all political subdivisions  
10 in the state, the term "hotel" shall not include a temporary lodging facility which is  
11 operated by a nonprofit organization described in Section 501(c)(3) of the Internal  
12 Revenue Code, provided that the facility is devoted exclusively to the temporary  
13 housing, for periods no longer than thirty days' duration, of homeless transient  
14 persons whom the organization determines to be financially incapable of engaging  
15 lodging at a facility defined by Subparagraph (a) of this Paragraph, and further  
16 provided that the lodging charge to such persons is no greater than twenty dollars per  
17 day.

18 (12)(a) "Lease or rental" means the leasing or renting of tangible personal  
19 property and the possession or use thereof by the lessee or renter, for a consideration,  
20 without transfer of the title of such property. For the purpose of the leasing or  
21 renting of automobiles, "lease" means the leasing of automobiles and the possession  
22 or use thereof by the lessee, for a consideration, without the transfer of the title of  
23 such property for a one hundred eighty-day period or more. "Rental" means the  
24 renting of automobiles and the possession or use thereof by the renter, for a  
25 consideration, without the transfer of the title of such property for a period less than  
26 one hundred eighty days.

27 (b) The term "lease or rental" shall not mean or include a lease or rental of  
28 property to be used in performance of a contract with the United States Department  
29 of the Navy for construction or overhaul of U.S. Naval vessels.

1           (c) For purposes of political subdivision sales and use tax, the term "lease or  
2           rental" shall not mean the lease or rental of items, including but not limited to  
3           supplies and equipment, which are reasonably necessary for the operation of free  
4           hospitals.

5           (d) For purposes of political subdivision sales and use tax, "lease or rental"  
6           shall not mean the lease or rental of educational materials or equipment used for  
7           classroom instruction by approved parochial and private elementary and secondary  
8           schools which comply with the court order from the Brumfield, et al v. Dodd  
9           decision and Section 501(c)(3) of the Internal Revenue Code, limited to books,  
10          workbooks, computers, computer software, films, videos, and audio tapes.

11          (e) For purposes of political subdivision sales and use tax, "lease or rental"  
12          shall not mean the lease or rental of tangible personal property to Boys State of  
13          Louisiana, Inc. and Girls State of Louisiana, Inc. which is used by such organizations  
14          for their educational and public service programs for youth.

15          (f) For purposes of political subdivision sales and use tax, the term "lease or  
16          rental" shall not mean or include the lease or rental of motor vehicles by licensed  
17          motor vehicle dealers, as defined in R.S. 32:1252(35), or vehicle manufacturers, as  
18          defined in R.S. 32:1252(24), for their use in furnishing such leased or rented motor  
19          vehicles to their customers in performance of their obligations under warranty  
20          agreements associated with the purchase of a motor vehicle or when the applicable  
21          warranty has lapsed and the leased or rented motor vehicle is provided to the  
22          customer at no charge.

23          (g) For purposes of sales and use taxes levied and imposed by local  
24          governmental subdivisions, school boards, and other political subdivisions whose  
25          boundaries are not coterminous with those of the state, "lease or rental" by a person  
26          shall not mean or include the lease or rental of tangible personal property if such  
27          lease or rental is made under the provisions of Medicare.

1           (h)(i) For purposes of any sales, use, or lease tax levied by any political  
2           subdivision of the state, the term "lease or rental" shall not include the lease or rental  
3           of a crane and related equipment with an operator.

4           (ii) Notwithstanding the provisions of Item (i) of this Subparagraph, cranes  
5           leased or rented with an operator are subject to the provisions of the sales and use tax  
6           law upon first use in Louisiana.

7           (i)(i) For purposes of local sales and use tax levied by any political  
8           subdivision, the term "lease or rental" shall not apply to leases or rentals of pallets  
9           which are used in packaging products produced by a manufacturer.

10           (ii) For purposes of this Subparagraph, the term "manufacturer" shall mean  
11           a person whose primary activity is manufacturing and who is assigned by the  
12           Louisiana Workforce Commission a North American Industrial Classification  
13           System code within the manufacturing sectors 31-33 as they existed in 2002.

14           (13) "Local ordinance" shall include both ordinances and resolutions pursuant  
15           to which a political subdivision levies a sales and use tax and otherwise provides  
16           with respect thereto.

17           (14)(a) "Machinery and equipment" means tangible personal property or  
18           other property that is eligible for depreciation for federal income tax purposes and  
19           that is used as an integral part in the manufacturing of tangible personal property for  
20           sale. "Machinery and equipment" shall also mean tangible personal property or other  
21           property that is eligible for depreciation for federal income tax purposes and that is  
22           used as an integral part of the production, processing, and storing of food and fiber  
23           or of timber.

24           (b) "Machinery and equipment" also includes but is not limited to the  
25           following:

26           (i) Computers and software that are an integral part of the machinery and  
27           equipment used directly in the manufacturing process.

28           (ii) Machinery and equipment necessary to control pollution at a plant  
29           facility where pollution is produced by the manufacturing operation.



1           (iii) Machinery and equipment used to test or measure raw materials, the  
2           property undergoing manufacturing or the finished product, when such test or  
3           measurement is a necessary part of the manufacturing process.

4           (iv) Machinery and equipment used by an industrial manufacturing plant to  
5           generate electric power for self consumption or cogeneration.

6           (v) Machinery and equipment used primarily to produce a news publication  
7           whether it is ultimately sold at retail or for resale or at no cost. Such machinery and  
8           equipment shall include but not be limited to all machinery and equipment used  
9           primarily in composing, creating, and other prepress operations, electronic  
10          transmission of pages from prepress to press, pressroom operations, and mailroom  
11          operations and assembly activities. For purposes of this item the term "news  
12          publication" shall mean any publication issued daily or regularly at average intervals  
13          not exceeding three months, which contains reports of varied character, such as  
14          political, social, cultural, sports, moral, religious, or subjects of general public  
15          interest, and advertising supplements and any other printed matter ultimately  
16          distributed with or a part of such publications.

17          (c) "Machinery and equipment" does not include any of the following:

18           (i) A building and its structural components, unless the building or structural  
19           component is so closely related to the machinery and equipment that it houses or  
20           supports that the building or structural component can be expected to be replaced  
21           when the machinery and equipment are replaced.

22           (ii) Heating, ventilation, and air-conditioning systems, unless their  
23           installation is necessary to meet the requirements of the manufacturing process, even  
24           though the system may provide incidental comfort to employees or serve, to an  
25           insubstantial degree, nonproduction activities.

26           (iii) Tangible personal property used to transport raw materials or  
27           manufactured goods prior to the beginning of the manufacturing process or after the  
28           manufacturing process is complete.

1           (iv) Tangible personal property used to store raw materials or manufactured  
2           goods prior to the beginning of the manufacturing process or after the manufacturing  
3           process is complete.

4           (15) "Manufacturer" means:

5           (a) A person whose principal activity is manufacturing, as defined in this  
6           Section, and who is assigned by the Louisiana Workforce Commission a North  
7           American Industrial Classification System code within the agricultural, forestry,  
8           fishing, and hunting Sector 11, the manufacturing Sectors 31-33, the information  
9           Sector 511110 as they existed in 2002, or industry code 423930 as a recyclable  
10           material merchant wholesaler engaged in manufacturing activities, which must  
11           include shredding facilities, as determined by the secretary of the Department of  
12           Revenue.

13           (b) A person whose principal activity is manufacturing and who is not  
14           required to register with the Louisiana Workforce Commission for purposes of  
15           unemployment insurance, but who would be assigned a North American Industrial  
16           Classification System code within the agricultural, forestry, fishing, and hunting  
17           Sector 11, the manufacturing Sectors 31-33, the information Sector 511110 as they  
18           existed in 2002, as determined by the Louisiana Department of Revenue from federal  
19           income tax data, if he were required to register with the Louisiana Workforce  
20           Commission for purposes of unemployment insurance.

21           (16) "Manufacturing" means putting raw materials through a series of steps  
22           that brings about a change in their composition or physical nature in order to make  
23           a new and different item of tangible personal property that will be sold to another.  
24           Manufacturing begins at the point at which raw materials reach the first machine or  
25           piece of equipment involved in changing the form of the material and ends at the  
26           point at which manufacturing has altered the material to its completed form. Placing  
27           materials into containers, packages, or wrapping in which they are sold to the  
28           ultimate consumer is part of this manufacturing process. Manufacturing, for  
29           purposes of this Paragraph, does not include any of the following:

- 1           (a) Repackaging or redistributing.
- 2           (b) The cooking or preparing of food products by a retailer in the regular  
3 course of retail trade.
- 4           (c) The storage of tangible personal property.
- 5           (d) The delivery of tangible personal property to or from the plant.
- 6           (e) The delivery of tangible personal property to or from storage within the  
7 plant.
- 8           (f) Actions such as sorting, packaging, or shrink wrapping the final material  
9 for ease of transporting and shipping.
- 10           (17) "Manufacturing for agricultural purposes" means the production,  
11 processing, and storing of food and fiber and the production, processing, and storing  
12 of timber.
- 13           (18) The term "news publication" shall mean any printed periodical that:
- 14           (a) Appears at regular intervals.
- 15           (b) Contains reports of a varied character, such as political, social, cultural,  
16 sports, moral, religious, or other subjects of general public interest.
- 17           (c) Contains not more than seventy-five percent advertising.
- 18           (d) Is not owned or published as an auxiliary to another nonpublishing  
19 business, organization, or entity.
- 20           (19) "Off-road vehicle" is any vehicle manufactured for off-road use which  
21 is issued a manufacturer's statement of origin that cannot be issued a registration  
22 certificate and license to operate on the public roads of this state because at the time  
23 of manufacture the vehicle does not meet the safety requirements prescribed by R.S.  
24 32:1301 through 1310. This includes vehicles that are issued a title only by the  
25 Department of Public Safety and Corrections, public safety services, such as all  
26 terrain vehicles and recreational and sport vehicles, but it shall not include off-road  
27 vehicles used for farm purposes, farm equipment, or heavy construction equipment.
- 28           (20)(a) "Person", except as provided in Subparagraph (b) of this Paragraph,  
29 includes any individual, firm, copartnership, joint adventure, association,

1 corporation, estate, trust, business trust, receiver, syndicate, this state, any parish,  
2 city and parish, municipality, district or other political subdivision thereof or any  
3 board, agency, instrumentality, or other group or combination acting as a unit, and  
4 the plural as well as the singular number.

5 (b)(i) For purposes of the payment of the sales and use tax levied by any  
6 political subdivision, "person" shall not include this state, any parish, city and parish,  
7 municipality, district, or other political subdivision thereof, or any agency, board,  
8 commission, or instrumentality of this state or its political subdivisions.

9 (ii) Upon request by any political subdivision for an exemption identification  
10 number, the Department of Revenue shall issue such number. The secretary may  
11 promulgate rules and regulations in accordance with the Administrative Procedure  
12 Act to carry out the provisions of this Item.

13 (21) "Plant facility" means a facility, at one or more locations, in which  
14 manufacturing, referred to in Sectors 11 and 31-33 of the North American Industrial  
15 Classification system as of 2002, of a product of tangible personal property takes  
16 place.

17 (22) "Political subdivision" means a parish, municipality, and any other unit  
18 of local government, including a school board and a special district, authorized by  
19 law to levy and collect a sales and use tax.

20 (23) "Purchaser" means and includes any person who acquires or receives  
21 any tangible personal property, or the privilege of using any tangible personal  
22 property, or receives any services pursuant to a transaction subject to tax under this  
23 Chapter.

24 (24)(a)(i) Solely for purposes of the imposition of the sales and use tax levied  
25 by a political subdivision or school board, "retail sale" or "sale at retail" shall mean  
26 a sale to a consumer or to any other person for any purpose other than for resale in  
27 the form of tangible personal property, or resale of those services defined in  
28 Paragraph (28) of this Section provided the retail sale of the service is subject to  
29 sales tax in this state, and shall mean and include all such transactions as the

1        collector, upon investigation, finds to be in lieu of sales; provided that sales for  
2        resale be made in strict compliance with the rules and regulations. Any dealer  
3        making a sale for resale, which is not in strict compliance with the rules and  
4        regulations shall himself be liable for and pay the tax. A local collector shall accept  
5        a resale certificate issued by the Department of Revenue, provided the taxpayer  
6        includes the parish of its principal place of business and local sales tax account  
7        number on the state certificate. However, in the case of an intra-parish transaction  
8        from dealer to dealer, the collector may require that the local exemption certificate  
9        be used in lieu of the state certificate. The department shall accommodate the  
10       inclusion of such information on its resale certificate for such purposes.

11        (ii) "Retail sale" or "sale at retail" for purposes of sales and use taxes  
12       imposed by political subdivisions on transactions involving the sale for rental of  
13       automobiles which take place on or after July 1, 1996, means a sale to a consumer  
14       or to any other person for any purpose other than for resale as tangible personal  
15       property, or for lease or rental in an arm's length transaction in the form of tangible  
16       personal property, and shall mean and include all such transactions as the collector,  
17       upon investigation, finds to be in lieu of sales; provided that sales for resale or for  
18       lease or rental in an arm's length transaction must be made in strict compliance with  
19       the rules and regulations. Any dealer making a sale for resale or for lease or rental,  
20       which is not in strict compliance with the rules and regulations, shall himself be  
21       liable for and pay the tax. For purposes of the imposition of the tax imposed by any  
22       political subdivision of the state, for the period beginning on July 1, 1999, and  
23       ending on June 30, 2000, the term "retail sale" or "sale at retail" shall not include  
24       one-fourth of the sales price of any tangible personal property which is sold in order  
25       to be leased or rented in an arm's length transaction in the form of tangible personal  
26       property. For purposes of the imposition of the tax imposed by any political  
27       subdivision of the state, for the period beginning on July 1, 2000, and ending on June  
28       30, 2001, the term "retail sale" or "sale at retail" shall not include one-half of the  
29       sales price of any tangible personal property which is sold in order to be leased or

1 rented in an arm's length transaction in the form of tangible personal property. For  
2 purposes of the imposition of the tax imposed by any political subdivision of the  
3 state, for the period beginning on July 1, 2001, and ending on June 30, 2002, the  
4 term "retail sale" or "sale at retail" shall not include three-fourths of the sales price  
5 of any tangible personal property which is sold in order to be leased or rented in an  
6 arm's length transaction in the form of tangible personal property. Beginning July  
7 1, 2002, for the purposes of imposition of the tax levied by any political subdivision  
8 of the state, the term "retail sale" or "sale at retail" shall not include the sale of any  
9 tangible personal property which is sold in order to be leased or rented in an arm's  
10 length transaction in the form of tangible personal property.

11 (iii) "Retail sale" or "sale at retail", for purposes of sales and use taxes  
12 imposed by political subdivisions involving the sale for rental of automobiles which  
13 take place prior to July 1, 1996, and for purposes of local sales and use taxes levied  
14 by political subdivisions except for transactions involving the sale for rental of  
15 automobiles on or after July 1, 1996, means a sale to a consumer or to any other  
16 person for any purpose other than for resale in the form of tangible personal  
17 property, and shall mean and include all such transactions as the collector, upon  
18 investigation, finds to be in lieu of sales; provided that sales for resale must be made  
19 in strict compliance with the rules and regulations. Any dealer making a sale for  
20 resale, which is not in strict compliance with the rules and regulations, shall himself  
21 be liable for and pay the tax. However, contrary provisions of law notwithstanding,  
22 any political subdivision may, by ordinance, adopt the definition of "retail sale" or  
23 "sale at retail" provided in Item (ii) of this Subparagraph for purposes of the  
24 imposition of its sales and use tax.

25 (b) Solely for purposes of the sales and use tax levied by political  
26 subdivisions, the term "sale at retail" shall include the sale of tangible personal  
27 property by a dealer through coin-operated vending machines.

1           (c)(i) The term "sale at retail" does not include sale of materials for further  
2           processing into articles of tangible personal property for sale at retail when all of the  
3           criteria in Subitem (aa) of this Item are met.

4           (aa)(I) The raw materials become a recognizable and identifiable component  
5           of the end product.

6           (II) The raw materials are beneficial to the end product.

7           (III) The raw materials are material for further processing, and as such, are  
8           purchased for the purpose of inclusion into the end product.

9           (bb) For purposes of this Item, the term "sale at retail" shall not include the  
10          purchase of raw materials for the production of raw or processed agricultural,  
11          silvicultural, or aquacultural products.

12          (cc)(I) If the materials are further processed into a byproduct for sale, such  
13          purchases of materials shall not be deemed to be sales for further processing and  
14          shall be taxable. For purposes of this Item, the term "byproduct" shall mean any  
15          incidental product that is sold for a sales price less than the cost of the materials.

16          (II) In the event a byproduct is sold at retail in this state for which a sales and  
17          use tax has been paid by the seller on the cost of the materials, which materials are  
18          used partially or fully in the manufacturing of the byproduct, a credit against the tax  
19          paid by the seller shall be allowed in an amount equal to the sales tax collected and  
20          remitted by the seller on the taxable retail sale of the byproduct.

21          (ii) The term "sale at retail" does not include an isolated or occasional sale  
22          of tangible personal property by a person not engaged in such business.

23          (d) The term "sale at retail" does not include the sale of any human tissue  
24          transplants, which shall be defined to include all human organs, bone, skin, cornea,  
25          blood, or blood products transplanted from one individual into another recipient  
26          individual.

27          (e) The term "sale at retail" does not include the sale of raw agricultural  
28          commodities, including but not limited to feed, seed, and fertilizer, to be utilized in

1        preparing, finishing, manufacturing, or producing crops or animals for market by a  
2        commercial farmer as defined in Paragraph (3) of this Section.

3                (f) Notwithstanding any other law to the contrary, for purposes of the  
4        imposition of the sales and use tax of any political subdivision, the sale of a vehicle  
5        subject to the Vehicle Registration License Tax Law (R.S. 47:451 et seq.) shall be  
6        deemed to be a "retail sale" or a "sale at retail":

7                (i) In the political subdivision of the principal residence of the purchaser if  
8        the vehicle is purchased for private use, or

9                (ii) In the political subdivision of the principal location of the business if the  
10       vehicle is purchased for commercial use, unless the vehicle purchased for  
11       commercial use is assigned, garaged, and used outside of such political subdivision,  
12       in which case the sale shall be deemed a "retail sale" or a "sale at retail" in the  
13       political subdivision where the vehicle is assigned, garaged, and used.

14               (g) The term "retail sale" does not include a sale of corporeal movable  
15       property which is intended for future sale to the United States government or its  
16       agencies, when title to such property is transferred to the United States government  
17       or its agencies prior to the incorporation of that property into a final product.

18               (h) The term "sale at retail" does not include the sale of food items by youth  
19       serving organizations chartered by congress.

20               (i) The term "sale at retail" does not include the purchase of a new school  
21       bus or a used school bus which is less than five years old by an independent operator,  
22       when such bus is to be used exclusively in a public school system. This exclusion  
23       shall apply to all sales and use taxes levied by any local political subdivision.

24               (j) The term "sale at retail" does not include the sale of tangible personal  
25       property to food banks, as defined in R.S. 9:2799.

26               (k) The term "sale at retail" shall not include the sale of airplanes or airplane  
27       equipment or parts to a commuter airline domiciled in Louisiana.

28               (l) For purposes of the sales and use taxes imposed or levied by any political  
29       subdivision, the term "sale at retail" shall not include the sales of Louisiana-



1 manufactured or Louisiana-assembled passenger aircraft with a maximum capacity  
2 of eight persons, if, after all transportation, including transportation by the purchaser,  
3 has been completed, the aircraft is ultimately received by the purchaser outside of  
4 Louisiana. The place at which the aircraft is ultimately received shall be considered  
5 as the place at which the aircraft is stored after all transportation has been completed.

6 (m) For purposes of the sales and use taxes imposed by any political  
7 subdivision, the term "sale at retail" shall not include the sales of pelletized paper  
8 waste when purchased for use as combustible fuel by an electric utility or in an  
9 industrial manufacturing, processing, compounding, reuse, or production process,  
10 including the generation of electricity or process steam, at a fixed location in this  
11 state. However, such sale shall not be excluded unless the purchaser has signed a  
12 certificate stating that the fuel purchased is for the exclusive use designated herein.  
13 For purposes of this Subparagraph, "pelletized paper waste" means pellets produced  
14 from discarded waste paper that has been diverted or removed from solid waste  
15 which is not marketable for recycling and which is wetted, extruded, shredded, or  
16 formulated into compact pellets of various sizes for use as a supplemental fuel in a  
17 permitted boiler.

18 (n) For the purposes of sales and use taxes imposed or levied by any political  
19 subdivision or any local government subdivision or school board, the term "sale at  
20 retail" shall not include the sale or purchase of equipment used in fire fighting by  
21 bona fide volunteer and public fire departments.

22 (o) For purposes of political subdivision sales and use tax, the term "sale at  
23 retail" shall not include the sale of items, including but not limited to supplies and  
24 equipment, or the sale of services as provided in this Section, which are reasonably  
25 necessary for the operation of free hospitals.

26 (p) For purposes of political subdivision sales and use tax, the term "sale at  
27 retail" shall not include:

28 (i) The sale of tangible personal property by approved parochial and private  
29 elementary and secondary schools which comply with the court order from the Dodd

1 Brumfield decision and Section 501(c)(3) of the Internal Revenue Code, or students,  
2 administrators, or teachers, or other employees of the school, if the money from such  
3 sales, less reasonable and necessary expenses associated with the sale, is used solely  
4 and exclusively to support the school or its program or curricula. This exclusion  
5 shall not be construed to allow tax-free sales to students or their families by  
6 promoters or regular commercial dealers through the use of schools, school faculty,  
7 or school facilities.

8 (ii) The sale to approved parochial and private elementary and secondary  
9 schools which comply with the court order from the Dodd Brumfield decision and  
10 Section 501(c)(3) of the Internal Revenue Code of educational materials or  
11 equipment used for classroom instruction limited to books, workbooks, computers,  
12 computer software, films, videos, and audio tapes.

13 (q) For purposes of political subdivision sales and use tax, the term "sale at  
14 retail" shall not include the sale of tangible personal property to Boys State of  
15 Louisiana, Inc. and Girls State of Louisiana, Inc. which is used by such organizations  
16 for their educational and public service programs for youth.

17 (r) The term "sale at retail" or "retail sale", for purposes of sales and use  
18 taxes imposed by any political subdivision or other taxing entity, shall not include  
19 any charge, fee, money, or other consideration received, given, or paid for the  
20 performance of funeral directing services. For purposes of this Subparagraph,  
21 "funeral directing services" means the operation of a funeral home, or by way of  
22 illustration and not limitation, any service whatsoever connected with the  
23 management of funerals, or the supervision of hearses or funeral cars, the cleaning  
24 or dressing of dead human bodies for burial, and the performance or supervision of  
25 any service or act connected with the management of funerals from time of death  
26 until the body or bodies are delivered to the cemetery, crematorium, or other agent  
27 for the purpose of disposition. However, such services shall not mean or include the  
28 sale, lease, rental, or use of any tangible personal property as those terms are defined  
29 in this Section.

1           (s) For purposes of sales and use taxes imposed by any political subdivision,  
2           the term "sale at retail" shall not include the transfer of title to or possession of  
3           telephone directories by an advertising company that is not affiliated with a provider  
4           of telephone services if the telephone directories will be distributed free of charge  
5           to the recipients of the telephone directories.

6           (t) For purposes of sales and use taxes levied and imposed by local  
7           governmental subdivisions, school boards, and other political subdivisions whose  
8           boundaries are not coterminous with those of the state, "sale at retail" by a person  
9           shall not mean or include the sale of tangible personal property if such sale is made  
10          under the provisions of Medicare.

11          (u) For purposes of the sales and use taxes imposed by any political  
12          subdivision, in the case of the sale or other disposition by a dealer of any cellular,  
13          PCS, or wireless telephone, or any electronic accessories that are physically  
14          connected with such telephones and personal communication devices used in  
15          connection with the sale or use of mobile telecommunications services, the term  
16          "retail sale" or "sale at retail" shall mean and include the sale or any other disposition  
17          of such cellular, PCS, or wireless telephone, any electronic accessories that are  
18          physically connected with such telephones and personal communication devices by  
19          the dealer to the purchaser, but shall not mean or include the withdrawal, use,  
20          distribution, consumption, storage, donation, or any other disposition of any such  
21          cellular, PCS, or wireless telephone, any electronic accessories that are physically  
22          connected with such telephones, and personal communication devices by the dealer.

23          (v) For purposes of the imposition of sales and use taxes imposed or levied  
24          by any political subdivision of the state, in the case of the sale or other disposition  
25          by a dealer of any cellular telephone, PCS telephone, wireless telephone, or other  
26          wireless personal communication device that is used in connection with the sale or  
27          use of mobile telecommunications services, or any electronic accessory that is  
28          physically connected with any such telephone or personal communication device, the  
29          term "retail sale" or "sale at retail" shall mean and include the sale or any other

1 disposition of any such telephone, other personal communication device, or  
2 electronic accessory.

3 (w)(i) For purposes of sales and use taxes imposed or levied by any political  
4 subdivision of the state, the term "sale at retail" shall not include the sale of toys to  
5 a non-profit organization exempt from federal taxation pursuant to Section 501(c)(3)  
6 of the Internal Revenue Code if the sole purpose of the purchasing organization is  
7 to donate toys to minors and the toys are, in fact, donated.

8 (ii) The exclusion provided in this Subparagraph shall not apply if the  
9 donation is intended to ultimately yield a profit to a promoter of the organization or  
10 to any individual contracted to provide services or equipment, or both, to the  
11 organization.

12 (iii) A certificate of exclusion shall be obtained from the secretary or the tax  
13 collector of the political subdivision, under such regulations as he shall prescribe, in  
14 order for nonprofit organizations to qualify for the exclusion provided for in this  
15 Subparagraph.

16 (x) For purposes of sales and use tax imposed by any political subdivision  
17 of the state, the terms "retail sale" or "sale at retail" shall not mean or include the  
18 purchase of textbooks and course-related software by a private postsecondary  
19 academic degree-granting institution, accredited by a national or regional  
20 commission that is recognized by the United States Department of Education and is  
21 licensed by the Board of Regents, which institution has its main location within this  
22 state and offers only online instruction, when all of the following apply:

23 (i) The textbooks and course-related software are physically outside of this  
24 state when purchased from a vendor outside of this state and then imported into this  
25 state.

26 (ii) The first student use of the textbooks and course-related software occurs  
27 outside of this state.

28 (iii) The textbooks and course-related software are provided to the student  
29 free of charge.

1           (y) For purposes of sales taxes imposed by any political subdivision of the  
2           state, the term "retail sale" or "sale at retail" shall not include sales of tangible  
3           personal property by the Military Department, state of Louisiana, which occur on an  
4           installation or other property owned or operated by the Military Department.

5           (z) For purposes of sales and use tax imposed by any political subdivision  
6           of the state, the term "sale at retail" shall not include the sale of anthropogenic  
7           carbon dioxide for use in a qualified tertiary recovery project approved by the  
8           assistant secretary of the office of conservation of the Department of Natural  
9           Resources pursuant to R.S. 47:633.4.

10           (aa) For purposes of sales and use tax imposed by any political subdivision,  
11           the term "sale at retail" shall not include the sale of tangible personal property at an  
12           event providing Louisiana heritage, culture, crafts, art, food, and music which is  
13           sponsored by a domestic nonprofit organization that is exempt from tax under  
14           Section 501(c)(3) of the Internal Revenue Code. The provisions of this  
15           Subparagraph shall apply only to an event which transpires over a minimum of seven  
16           but not more than twelve days and has a five-year annual average attendance of at  
17           least three hundred thousand over the duration of the event. For purposes of  
18           determining the five-year annual average attendance, the calculation shall include the  
19           total annual attendance for each of the five most recent years. The provisions of this  
20           Subparagraph shall apply only to sales by the sponsor of the event.

21           (bb) For purposes of sales and use tax imposed by any political subdivision,  
22           the term "retail sale" or "sale at retail" shall not include marijuana recommended for  
23           therapeutic use by patients clinically diagnosed as suffering from a debilitating  
24           medical condition as defined in R.S. 40:1046.

25           (25) "Retailer" means and includes every person engaged in the business of  
26           making sales at retail or for distribution, or use or consumption, or storage to be used  
27           or consumed in this state.

28           (26) "Sale" means any transfer of title or possession, or both, exchange,  
29           barter, conditional or otherwise, in any manner or by any means whatsoever, of

1 tangible personal property, for a consideration, and includes the fabrication of  
2 tangible personal property for consumers who furnish, either directly or indirectly,  
3 the materials used in fabrication work, and the furnishing, preparing or serving, for  
4 a consideration, of any tangible personal property, consumed on the premises of the  
5 person furnishing, preparing or serving such tangible personal property. A  
6 transaction whereby the possession of property is transferred but the seller retains  
7 title as security for the payment of the price shall be deemed a sale.

8 (27)(a) "Sales price" means the total amount for which tangible personal  
9 property is sold, less the market value of any article traded in including any services,  
10 except services for financing, that are a part of the sale valued in money, whether  
11 paid in money or otherwise, and includes the cost of materials used, labor or service  
12 costs, except costs for financing which shall not exceed the legal interest rate and a  
13 service charge not to exceed six percent of the amount financed, and losses; provided  
14 that cash discounts allowed and taken on sales shall not be included, nor shall the  
15 sales price include the amount charged for labor or services rendered in installing,  
16 applying, remodeling, or repairing property sold.

17 (b) The term "sales price" shall not include any amount designated as a cash  
18 discount or a rebate by the vendor or manufacturer of any new vehicle subject to the  
19 motor vehicle license tax. For purposes of this Paragraph "rebate" means any  
20 amount offered by a vendor or manufacturer as a deduction from the listed retail  
21 price of the vehicle.

22 (c) "Sales price" shall not include the first fifty thousand dollars of the sale  
23 price of new farm equipment used in poultry production.

24 (d) Notwithstanding any other provision of law to the contrary, for purposes  
25 of political subdivision sales and use tax, the "sales price" of refinery gas, except for  
26 feedstock, not ultimately consumed as an energy source by the person who owns the  
27 facility in which the refinery gas is created as provided for in Subparagraph (35)(d)  
28 of this Section, but sold to another person, whether at retail or wholesale, shall be  
29 fifty-two cents per thousand cubic feet multiplied by a fraction the numerator of

1 which shall be the posted price for a barrel of West Texas Intermediate Crude Oil on  
2 December first of the preceding calendar year and the denominator of which shall  
3 be twenty-nine dollars, and provided further that such sales price shall be the  
4 maximum value placed upon refinery gas by a taxing authority under any authority  
5 or grant of power to levy and collect sales or use taxes, and such sale shall be  
6 taxable.

7 (e) The term "sales price", solely for purposes of sales and use tax imposed  
8 by political subdivision, shall exclude any amount that a manufacturer pays directly  
9 to a dealer of the manufacturer's product for the purpose of reducing and that actually  
10 results in an equivalent reduction in the retail "sales price" of that product. This  
11 exclusion shall not apply to the value of the manufacturer's coupons that dealers  
12 accept from purchasers as part payment of the "sales price" and that are redeemable  
13 by the dealers through manufacturers or their agents. The value of such coupons is  
14 deemed to be part of the "sales price" of the product purchased through the use of the  
15 coupons.

16 (f) The term "sales price" shall exclude any charge, fee, money, or other  
17 consideration received, given, or paid for the performance of funeral directing  
18 services as defined in Subparagraph (24)(r) of this Section.

19 (g) Solely for purposes of the imposition of sales and use tax imposed by  
20 political subdivisions, in the case of the retail sale by a dealer of any cellular, PCS,  
21 or wireless telephone, any electronic accessories that are physically connected with  
22 such telephones and personal communications devices used in connection with the  
23 sale or use of mobile telecommunications services, as defined in Subparagraph  
24 (24)(u) of this Section, the term "sales price" shall mean and include only the amount  
25 of money, if any, actually received by the dealer from the purchaser for each such  
26 cellular, PCS, or wireless telephone and any electronic accessories that are physically  
27 connected with such telephones and personal communication devices, but shall not  
28 include (i) any amount received by the dealer from the purchaser for providing  
29 mobile telecommunications services, or (ii) any commissions, fees, rebates, or other

1 amounts received by the dealer from any source other than the purchaser as a result  
2 of or in connection with the sale of the cellular, PCS, or wireless telephone, any  
3 electronic accessories that are physically connected with such telephones and  
4 personal communication devices.

5 (h) Solely for the purpose of sales and use tax imposed by political  
6 subdivisions, any cellular, PCS, or wireless telephone used in connection with the  
7 sale or use of mobile telecommunications services, as defined in Subparagraph  
8 (24)(u) of this Section, after January 1, 2002, the term "sales price" shall mean and  
9 include the greater of (i) the amount of money actually received by the dealer from  
10 the purchaser for each such telephone, or (ii) twenty-five percent of the cost of such  
11 telephone to the dealer, but shall not include any amount received by the dealer from  
12 the purchaser for providing mobile telecommunications services or any  
13 commissions, fees, rebates, or other amounts received by the dealer from any source  
14 other than the purchaser as a result of or in connection with the sale of the telephone.

15 (i) For purposes of a publishing business which distributes its news  
16 publications at no cost to readers and pays unrelated third parties to print such news  
17 publications, the term "sales price" shall mean only the lesser of the following costs:

18 (i) The printing cost paid to unrelated third parties to print such news  
19 publications, less any itemized freight charges for shipping the news publications  
20 from the printer to the publishing business and any itemized charges for paper and  
21 ink.

22 (ii) Payments to a dealer or distributor as consideration for distribution of the  
23 news publications.

24 (j) For the purpose of the imposition of sales and use tax imposed or levied  
25 by any political subdivision of the state, in the case of any retail sale or sale at retail,  
26 of any cellular telephone, PCS telephone, or wireless telephone used in connection  
27 with the sale or use of mobile telecommunications services, as defined in  
28 Subparagraph (24)(v) of this Section, or any electronic accessory that is physically  
29 connected with any such telephone or personal communication device, the term



1 "sales price" shall mean and include the greater of (i) the amount of money, if any,  
2 actually received by the dealer from the purchaser at the time of the retail sale or sale  
3 at retail by the dealer to the purchaser for each such telephone, personal  
4 communication device, or electronic accessory, or (ii) twenty-five percent of the cost  
5 of such telephone to the dealer, but shall not include any amount received by the  
6 dealer from the purchaser for providing mobile telecommunications services or any  
7 commissions, fees, rebates, activation charges, or other amounts received by the  
8 dealer from any source other than the purchaser as a result of or in connection with  
9 the sale of the telephone.

10 (k)(i) Solely for purposes of the payment of the sales and use tax levied by  
11 any political subdivision, the term "sales price" shall not include the price of  
12 specialty items sold to members for fund-raising purposes by nonprofit carnival  
13 organizations domiciled within Louisiana and participating in a parade sponsored by  
14 a carnival organization.

15 (ii) The collector shall promulgate rules and regulations for purposes of this  
16 exclusion.

17 (iii) No nonprofit carnival organization domiciled within Louisiana and  
18 participating in a parade sponsored by a carnival organization shall claim exemption  
19 or exclusion before having obtained a certificate of authorization from the collector.  
20 The collector shall develop applications for such certificates. The certificates shall  
21 be issued without charge to the entities which qualify.

22 (28) "Sales of services" means and includes the following:

23 (a) The furnishing of sleeping rooms, cottages or cabins by hotels.

24 (b)(i) The sale of admissions to places of amusement, to athletic  
25 entertainment other than that of schools, colleges, and universities, and recreational  
26 events, and the furnishing, for dues, fees, or other consideration of the privilege of  
27 access to clubs or the privilege of having access to or the use of amusement,  
28 entertainment, athletic, or recreational facilities.

1           (ii) The term "sales of services" shall not include membership fees or dues  
2           of nonprofit, civic organizations, including by way of illustration and not of  
3           limitation the Young Men's Christian Association, the Catholic Youth Organization,  
4           and the Young Women's Christian Association.

5           (iii)(aa) Places of amusement shall not include "museums", which are hereby  
6           defined as public or private nonprofit institutions which are organized on a  
7           permanent basis for essentially educational or aesthetic purposes and which use  
8           professional staff to do all of the following:

9                   (I) Own or use tangible objects, whether animate or inanimate.

10                   (II) Care for those objects.

11                   (III) Exhibit them to the public on a regular basis.

12                   (IV) Museums include but are not limited to the following institutions:

13                   (bb) Museums relating to art, history, including historic buildings, natural  
14           history, science, and technology.

15                           (I) Aquariums and zoological parks.

16                           (II) Botanical gardens and arboretums.

17                           (III) Nature centers.

18                           (IV) Planetariums.

19           (iv) For purposes of the sales and use taxes of political subdivisions, the term  
20           "places of amusement" as used herein shall not include camp and retreat facilities  
21           owned and operated by nonprofit organizations exempt from federal income tax  
22           under Section 501(a) of the Internal Revenue Code as an organization described in  
23           Section 501(c)(3) of the Internal Revenue Code provided that the net revenue derived  
24           from the organization's property is devoted wholly to the nonprofit organization's  
25           purposes.

26           (c) The furnishing of storage or parking privileges by auto hotels and parking  
27           lots.

1           (d) The furnishing of printing or overprinting, lithographic, multilith, blue  
2           printing, photostating or other similar services of reproducing written or graphic  
3           matter.

4           (e) The furnishing of laundry, cleaning, pressing and dyeing services,  
5           including by way of extension and not of limitation, the cleaning and renovation of  
6           clothing, furs, furniture, carpets and rugs, and the furnishing of storage space for  
7           clothing, furs, and rugs. The service shall be taxable at the location where the  
8           laundered, cleaned, pressed, or dyed article is returned to the customer.

9           (f) The furnishing of cold storage space, except that space which is furnished  
10          pursuant to a bailment arrangement, and the furnishing of the service of preparing  
11          tangible personal property for cold storage where such service is incidental to the  
12          operation of storage facilities.

13          (g)(i) The furnishing of repairs to tangible personal property, including but  
14          not restricted to the repair and servicing of automobiles and other vehicles, electrical  
15          and mechanical appliances and equipment, watches, jewelry, refrigerators, radios,  
16          shoes, and office appliances and equipment.

17          (ii)(aa) For purposes of the sales and use taxes imposed by political  
18          subdivisions, sale of services shall not include the labor, or sale of materials,  
19          services, and supplies, used for the repairing, renovating, or converting of any  
20          drilling rig, or machinery and equipment which are component parts thereof, which  
21          is used exclusively for the exploration or development of minerals outside the  
22          territorial limits of the state in Outer Continental Shelf waters.

23          (bb) For the purposes of this Subitem, "drilling rig" means any unit or  
24          structure, along with its component parts, which is used primarily for drilling,  
25          workover, intervention or remediation of wells used for exploration or development  
26          of minerals and "component parts" means any machinery or equipment necessary for  
27          a drilling rig to perform its exclusive function of exploration or development of  
28          minerals.

1           (iii) For purposes of the sales and use tax levied by political subdivisions,  
2           "repair to tangible personal property and fabrication" shall not include surface  
3           preparation, coating, and painting of a fixed or rotary wing military aircraft or  
4           certified transport category aircraft so long as the Federal Aviation Administration  
5           registration address of the aircraft is not in this state.

6           (h) The term "sale of service" shall not include an action performed pursuant  
7           to a contract with the United States Department of the Navy for construction or  
8           overhaul of U.S. Naval vessels.

9           (i) Local taxing authorities are prohibited from levying a sales and use tax  
10           on telecommunications services not in effect on July 1, 1990, provided, however,  
11           that the provisions of this Subparagraph shall not be construed to prohibit the levy  
12           or collection of any franchise, excise, gross receipts, or similar tax or assessment by  
13           any political subdivision of the state as defined in Article VI, Section 44(2) of the  
14           Constitution of Louisiana.

15           (j) Notwithstanding any provision of law to the contrary, for purposes of  
16           sales or use taxation by any political subdivision, the term "sales of services" shall  
17           not mean or include any funeral directing services as defined in Subparagraph (24)(r)  
18           of this Section. Subject to approval by the House Committee on Ways and Means  
19           and the Senate Committee on Revenue and Fiscal Affairs, the collector shall devise  
20           a formula for the calculation of the tax.

21           (k) Solely for purposes of sales and use tax imposed by any political  
22           subdivision, the term "sales of services" shall not mean or include admission charges  
23           for, outside gate admissions to, or parking fees associated with an event providing  
24           Louisiana heritage, culture, crafts, art, food, and music which is sponsored by a  
25           domestic nonprofit organization that is exempt from tax under Section 501(c)(3) of  
26           the Internal Revenue Code. The provisions of this Subparagraph shall apply only to  
27           an event which transpires over a minimum of seven but not more than twelve days  
28           and has a five-year annual average attendance of at least three hundred thousand over  
29           the duration of the event. For purposes of determining the five-year annual average

1 attendance, the calculation shall include the total annual attendance for each of the  
2 five most recent years. The provisions of this Subparagraph shall apply only to  
3 admission charges for, outside gate admissions to, or parking fees associated with  
4 an event when the charges and fees are payable to or for the benefit of the sponsor  
5 of the event.

6 (29) "Secretary" or "secretary of revenue" means the secretary of the  
7 Department of Revenue for the state of Louisiana.

8 (30) "Storage" means and includes any keeping or retention in the taxing  
9 jurisdiction of tangible personal property for use or consumption within the taxing  
10 jurisdiction or for any purpose other than for sale at retail in the regular course of  
11 business.

12 (31)(a) "Tangible personal property" means and includes personal property  
13 which may be seen, weighed, measured, felt or touched, or is in any other manner  
14 perceptible to the senses.

15 (b) The term "tangible personal property" shall not include:

16 (i) Stocks, bonds, notes, or other obligations or securities.

17 (ii)(aa) Platinum, gold, or silver bullion, that is valued solely upon its  
18 precious metal content, whether in coin or ingot form.

19 (bb) Numismatic coins that have a sales price of no more than one thousand  
20 dollars.

21 (cc) Numismatic coins sold at a national, statewide, or multi-parish  
22 numismatic trade show.

23 (iii) Proprietary geophysical survey information or geophysical data analysis  
24 furnished under a restricted use agreement even though transferred in the form of  
25 tangible personal property.

26 (c) The term "tangible personal property" shall not include the repair of a  
27 vehicle by a licensed motor vehicle dealer which is performed subsequent to the  
28 lapse of the applicable warranty on that vehicle and at no charge to the owner of the

1 vehicle. For the purpose of assessing a sales and use tax on this transaction, no  
2 valuation shall be assigned to the services performed or the parts used in the repair.

3 (d) The term "tangible personal property" shall not include work products  
4 which are written on paper, stored on magnetic or optical media, or transmitted by  
5 electronic device, when such work products are created in the normal course of  
6 business by any person licensed or regulated by the provisions of Title 37 of the  
7 Louisiana Revised Statutes of 1950, unless such work products are duplicated  
8 without modification for sale to multiple purchasers. This exclusion shall not apply  
9 to work products which consist of the creation, modification, updating, or licensing  
10 of computer software.

11 (e) The term "tangible personal property" shall not include pharmaceuticals  
12 administered to livestock used for agricultural purposes, except as otherwise  
13 provided in this Subparagraph. Only pharmaceuticals not included in the term  
14 "tangible personal property" shall be registered with the Louisiana Department of  
15 Agriculture and Forestry. Legend drugs administered to livestock used for  
16 agricultural purposes are not required to be registered, but such legend drugs that are  
17 not registered shall be "tangible personal property".

18 (f)(i) Notwithstanding the provisions of R.S. 9:1149.1 et seq., except as  
19 otherwise provided in this Subparagraph, the term "tangible personal property" shall  
20 not include factory built homes.

21 (ii) For purposes of this Subparagraph, "factory built home" means a  
22 residential structure which is built in a factory in one or more sections and has a  
23 chassis or integrated wheel delivery system, which is either:

24 (aa) A structure built to federal construction standards as defined in 42  
25 U.S.C. 5402.

26 (bb) A residential structure built to the Louisiana State Uniform Construction  
27 Code.

1           (cc) A manufactured home, modular home, mobile home, or residential  
2           mobile home with or without a permanent foundation, which includes plumbing,  
3           heating, and electrical systems.

4           (iii) "Factory built home" shall not include any self-propelled recreational  
5           vehicle or travel trailer.

6           (iv) The term "tangible personal property" as applied to sales and use taxes  
7           levied by a political subdivision shall include a new factory built home, for the  
8           initial sale from a dealer to a consumer, but only to the extent that forty-six percent  
9           of the retail sales price shall be so considered as "tangible personal property".  
10          Thereafter, each subsequent resale of a factory built home shall not be considered as  
11          "tangible personal property".

12          (v) The sales and use taxes due on these transactions shall be paid to the  
13          Louisiana Department of Public Safety and Corrections, office of motor vehicles, by  
14          the twentieth day of the month following the month of delivery of the factory built  
15          home to the consumer, along with any other information requested by the office of  
16          motor vehicles.

17          (g) The term "tangible personal property", for purposes of the payment of  
18          sales and use taxes levied by political subdivisions, shall not include materials used  
19          directly in the collection, separation, treatment, testing, and storage of blood by  
20          nonprofit blood banks and nonprofit blood collection centers.

21          (h) The term "tangible personal property" for purposes of sales and use taxes  
22          imposed by political subdivisions shall not include apheresis kits and leuko reduction  
23          filters used by nonprofit blood banks and nonprofit blood collection centers.

24          (i) For purposes of sales and use tax imposed by political subdivisions of the  
25          state without regard to the nature of the ownership of the ground, tangible personal  
26          property shall not include other constructions permanently attached to the ground  
27          which shall be treated as immovable property.

28          (j) A political subdivision whose boundaries are not coterminous with those  
29          of the state may provide for a sales and use tax exclusion for machinery and

1 equipment as defined in and subject to the requirements of Paragraph (14) of this  
2 Section which is purchased by a utility regulated by the Public Service Commission  
3 or the council of the city of New Orleans.

4 (k) Solely for purposes of sales and use taxes imposed by political  
5 subdivisions, the term "tangible personal property" shall not include newspapers.

6 (l) For purposes of sales and use taxes imposed by any political subdivision,  
7 the term "tangible personal property" shall not include any property that would have  
8 been considered immovable property prior to the enactment on July 1, 2008, of Act  
9 No. 632 of the 2008 Regular Session of the Legislature.

10 (32) "Tax", "sales and use tax", and "sales tax" shall mean the sales and use  
11 tax imposed by political subdivisions under the Constitution or laws of this state  
12 authorizing the imposition of a sales and use tax.

13 (33) "Taxing authority" shall mean and include both the state and a statewide  
14 political subdivision and any political subdivision of the state authorized under the  
15 Constitution or laws of the state of Louisiana to levy and collect a sales and use tax,  
16 unless the context indicates otherwise. For purposes of the Uniform Local Sales Tax  
17 Code provided for in Chapter 2-D of this Subtitle, "taxing authority" shall mean any  
18 political subdivision of the state authorized under the Constitution or laws of the  
19 state of Louisiana to levy and collect a sales and use tax, except a statewide political  
20 subdivision.

21 (34) "Taxing jurisdiction" shall mean the area within the physical boundaries  
22 of the taxing authority.

23 (35)(a)(i) For purposes of the imposition of the sales and use tax levied by a  
24 political subdivision or school board, "use" shall mean and include the exercise of  
25 any right or power over tangible personal property incident to the ownership thereof,  
26 except that it shall not include the sale at retail of that property in the regular course  
27 of business or the donation to a school in the state which meets the definition  
28 provided in R.S. 17:236 or to a public or recognized independent institution of higher  
29 education in the state of property previously purchased for resale in the regular



1 course of a business. The term "use" shall not include the donation of food items to  
2 a food bank as defined in R.S. 9:2799(B).

3 (ii) The term "use", for purposes of sales and use taxes imposed by a political  
4 subdivision on the use for rental of automobiles which take place on or after July 1,  
5 1996, shall not include the purchase, the importation, the consumption, the  
6 distribution, or the storage of tangible personal property to be leased or rented in an  
7 arm's length transaction as tangible personal property. For purposes of the  
8 imposition of the tax levied by any political subdivision of the state, for the period  
9 beginning July 1, 1999, and ending on June 30, 2000, the term "use" shall not include  
10 one-fourth of the cost price of any tangible personal property which is purchased,  
11 imported, consumed, distributed, or stored and which is to be leased or rented in an  
12 arm's length transaction in the form of tangible personal property. For purposes of  
13 the imposition of the tax levied by any political subdivision of the state, for the  
14 period beginning July 1, 2000, and ending on June 30, 2001, the term "use" shall not  
15 include one-half of the cost price of any tangible personal property which is  
16 purchased, imported, consumed, distributed, or stored and which is to be leased or  
17 rented in an arm's length transaction in the form of tangible personal property. For  
18 purposes of the imposition of the tax levied by any political subdivision of the state,  
19 for the period beginning July 1, 2001, and ending on June 30, 2002, the term "use"  
20 shall not include three-fourths of the cost price of any tangible personal property  
21 which is purchased, imported, consumed, distributed, or stored and which is to be  
22 leased or rented in an arm's length transaction in the form of tangible personal  
23 property. Beginning July 1, 2002, for purposes of the imposition of the tax levied  
24 by any political subdivision of the state, the term "use" shall not include the  
25 purchase, the importation, the consumption, the distribution, or the storage of any  
26 tangible personal property which is to be leased or rented in an arm's length  
27 transaction in the form of tangible personal property.

28 (iii) The term "use", for purposes of sales and use taxes imposed by political  
29 subdivisions on the use for rental automobiles which take place prior to July 1, 1996,

1        and for purposes of local sales and use taxes levied by political subdivisions, except  
2        for any use for rental automobiles on or after July 1, 1996, shall include the purchase,  
3        the importation, the consumption, the distribution, or the storage of tangible personal  
4        property to be leased or rented in an arm's length transaction as tangible personal  
5        property.

6                (b) Notwithstanding any other law to the contrary, for purposes of the  
7        imposition of the sales and use tax of any political subdivision, the use of a vehicle  
8        subject to the Vehicle Registration License Tax Law (R.S. 47:451 et seq.) shall be  
9        deemed to be a "use":

10               (i) In the political subdivision of the principal residence of the purchaser if  
11        the vehicle is purchased for private use, or

12               (ii) In the political subdivision of the principal location of the business if the  
13        vehicle is purchased for commercial use, unless the vehicle purchased for  
14        commercial use is assigned, garaged, and used outside of such political subdivision,  
15        in which case the use shall be deemed a use in the political subdivision where the  
16        vehicle is assigned, garaged, and used.

17               (c) For purposes of political subdivision sales and use tax, "use" shall not  
18        include the exercise of any right or power by a free hospital over items, including but  
19        not limited to supplies and equipment, which are reasonably necessary for the  
20        operation of the free hospital.

21               (d)(i) Notwithstanding any other provision of law to the contrary, and except  
22        as provided in Item (iii) of this Subparagraph, for purposes of political subdivision  
23        sales and use tax, "use" means and includes the exercise of any right or power over  
24        tangible personal property incident to the ownership thereof, except that it shall not  
25        include the further processing of tangible personal property into articles of tangible  
26        personal property for sale.

27               (ii) Except as provided in Item (iii) of this Subparagraph for refinery gas,  
28        solely for purposes of political subdivision use tax, "use" shall not include the  
29        storage, consumption, or the exercise of any other right of ownership over tangible

1        personal property which is created or derived as a residue or byproduct of such  
2        processing. Such residue or byproduct shall include but shall not be limited to  
3        catalyst cracker coke derived from crude oil, wood chips, bark, and liquor derived  
4        from the processing of sawlogs or pulpwood timber, or bagasse derived from  
5        sugarcane.

6                (iii) Notwithstanding any other provision of law to the contrary, and  
7        notwithstanding the provisions of this Subparagraph, "use" shall include the exercise  
8        of any right of ownership over the consumption, the distribution, and the storage for  
9        use or consumption in this state of refinery gas, except the sale to another person,  
10       whether at retail or wholesale, only if the refinery gas is ultimately consumed as an  
11       energy source by the person who owns the facility in which it is created and is not  
12       sold. Notwithstanding any other law to the contrary, the use of refinery gas shall be  
13       taxed at the cost price value provided in Subparagraph (5)(f) of this Section. If  
14       refinery gas, except for feedstock, is sold to another person, whether at retail, or  
15       wholesale, such sale shall be taxable and the sales price value shall be as provided  
16       for in Subparagraph (27)(d) of this Section. The provisions of this Item shall not  
17       apply to feedstocks.

18                (e) For purposes of political sales and use tax, "use" shall not include the  
19       purchase of or the exercise of any right or power over:

20                (i) Tangible personal property sold by approved parochial and private  
21       elementary and secondary schools which comply with the court order from the Dodd  
22       Brumfield decision and Section 501(c)(3) of the Internal Revenue Code, or students,  
23       administrators, or teachers, or other employees of the school, if the money from such  
24       sales, less reasonable and necessary expenses associated with the sale, is used solely  
25       and exclusively to support the school or its program or curricula.

26                (ii) Educational materials or equipment used for classroom instruction by  
27       approved parochial and private elementary and secondary schools which comply  
28       with the court order from the Dodd Brumfield decision and Section 501(c)(3) of the

1 Internal Revenue Code, limited to books, workbooks, computers, computer software,  
2 films, videos, and audio tapes.

3 (f) For purposes of political subdivision sales and use tax, "use" shall not  
4 include the purchase of or the exercise of any right or power over tangible personal  
5 property used by Boys State of Louisiana, Inc. and Girls State of Louisiana, Inc. for  
6 their educational and public service programs for youth.

7 (g) Notwithstanding any provision of law to the contrary, for purposes of  
8 sales and use taxation by any political subdivision, the term "use" shall not mean or  
9 include any funeral directing services as defined in Subparagraph (24)(r) of this  
10 Section.

11 (h) Solely for purposes of local sales and use taxes levied by any political  
12 subdivision, the term "use" shall not include the exercise of any right of ownership  
13 in or the distribution of telephone directories acquired by an advertising company  
14 that is not affiliated with a provider of telephone services if the telephone directories  
15 will be distributed free of charge to the recipients of the telephone directories.

16 (i) Solely for purposes of the imposition of sales and use taxes imposed by  
17 a political subdivision, in the case of the sale or any other disposition by a dealer of  
18 any cellular, PCS, or wireless telephone, any electronic accessories that are  
19 physically connected with such telephones and personal communications devices  
20 used in connection with the sale or use of mobile telecommunications services, as  
21 defined in Subparagraph (24)(u) of this Section, the term "use" shall not include the  
22 withdrawal, use, distribution, consumption, storage, donation, or any other  
23 disposition of any such cellular, PCS, or wireless telephone, any electronic  
24 accessories that are physically connected with such telephones and personal  
25 communications devices by the dealer.

26 (j) For purposes of the imposition of sales and use taxes imposed or levied  
27 by any political subdivision of the state, in the case of the sale or any other  
28 disposition by a dealer of any cellular telephone, PCS telephone, wireless telephone,  
29 or other wireless personal communication device that is used in connection with the

1 sale or use of mobile telecommunications services, as defined in Subparagraph  
2 (24)(v) of this Section, or any electronic accessory that is physically connected with  
3 any such telephone or personal communications device, the term "use" shall not  
4 include the withdrawal, use, distribution, consumption, storage, donation, or any  
5 other disposition of any such telephone or electronic accessory by the dealer.

6 (k)(i) For the purposes of sales and use taxes imposed or levied by any  
7 political subdivision of the state, the term "use" shall not include the purchase of or  
8 the exercise of any right or power over toys by a non-profit organization exempt  
9 from federal taxation pursuant to Section 501(c)(3) of the Internal Revenue Code if  
10 the sole purpose of the purchasing organization is to donate toys to minors and the  
11 toys are, in fact, donated.

12 (ii) The exclusion provided for in this Subparagraph shall be subject to the  
13 same conditions as are provided for in Subparagraph (24)(w) of this Section.

14 (l) For purposes of sales and use tax imposed by any political subdivision of  
15 the state, the term "use" shall not mean or include the purchase, importation, storage,  
16 distribution, or exportation of, or exercise of any right or power over, textbooks and  
17 course-related software by a private postsecondary academic degree-granting  
18 institution, accredited by a national or regional commission that is recognized by the  
19 United States Department of Education and is licensed by the Board of Regents,  
20 which institution has its main location within this state and offers only online  
21 instruction, when all of the following apply:

22 (i) The textbooks and course-related software are physically outside of this  
23 state when purchased from a vendor outside of this state and then imported into this  
24 state.

25 (ii) The first student use of the textbooks and course-related software occurs  
26 outside of this state.

27 (iii) The textbooks and course-related software are provided to the student  
28 free of charge.

1           (m) Solely for purposes of sales and use tax imposed by any political  
2           subdivision of the state, the term "use" shall not mean or include the purchase,  
3           importation, storage, distribution or exercise of any right or power over  
4           anthropogenic carbon dioxide used in a qualified tertiary recovery project approved  
5           by the assistant secretary of the office of conservation of the Department of Natural  
6           Resources pursuant to R.S. 47:633.4.

7           (36) "Use tax" includes the use, the consumption, the distribution, and the  
8           storage as herein defined. No use tax shall be due to or collected by any political  
9           subdivision on tangible personal property used, consumed, distributed, or stored for  
10           use or consumption in such political subdivision if the sale of such property would  
11           have been exempted or excluded from sales tax at the time such property became  
12           subject to the taxing jurisdiction of the political subdivision.

13           (37) "Used directly" means used in the actual process of manufacturing or  
14           manufacturing for agricultural purposes.

15           (38) With respect to the furnishing of telecommunications and ancillary  
16           services, as used in this Chapter the following words, terms, and phrases have the  
17           meaning ascribed to them in this Paragraph, unless the context clearly indicates a  
18           different meaning:

19           (a) "Air-to-Ground Radiotelephone service" means a radio service, as that  
20           term is defined in 47 CFR 22.99, in which common carriers are authorized to offer  
21           and provide radio telecommunications service for hire to subscribers in aircraft.

22           (b) "Ancillary service" means a service that is associated with or incidental  
23           to the provision of one or more telecommunications services, including but not  
24           limited to conference bridging services, detailed telecommunications billing services,  
25           directory assistance services, vertical services, and voice mail services.

26           (c) "Call-by-call basis" means any method of charging for  
27           telecommunications services where the price is measured by individual calls.

28           (d) "Call center" means one or more locations that utilize  
29           telecommunications services in one or more of the following activities: customer

1 services, soliciting sales, reactivating dormant accounts, conducting surveys or  
2 research, fundraising, collection of receivables, receiving reservations, receiving  
3 orders, or taking orders.

4 (e) "Communications channel" means a physical or virtual path of  
5 communications over which signals are transmitted between or among customer  
6 channel termination points.

7 (f) "Conference bridging service" means a service that links two or more  
8 participants of an audio or video conference call and may include the provision of  
9 a telephone number. "Conference bridging service" does not include any  
10 telecommunications services used to reach the conference bridge.

11 (g) "Customer" means the person or entity that contracts with the seller of  
12 telecommunications services. If the end user of the telecommunications service is  
13 not the contracting party, the end user of the telecommunications service is the  
14 customer of the telecommunications service, but only for the purpose of sourcing  
15 sales of telecommunications services under R.S. 47:301.1(A). "Customer" does not  
16 include a reseller of telecommunications service or for mobile telecommunications  
17 service of a serving carrier under an agreement to serve the customer outside the  
18 home service provider's licensed service area.

19 (h) "Customer channel termination point" means, in the context of a private  
20 communications service, the location where the customer either inputs or receives  
21 communications.

22 (i) "Detailed telecommunications billing service" means a service of  
23 separately stating information pertaining to individual calls on a customer's billing  
24 statement.

25 (j) "Directory assistance" means a service of providing telephone number or  
26 address information, or both.

27 (k) "End user" means the person who utilizes the telecommunications  
28 service. In the case of an entity, "end user" means the individual who utilizes the  
29 service on behalf of the entity.

1           (l) "Home service provider" has the same meaning given to such term in  
2           Section 124(5) of the Mobile Telecommunications Sourcing Act, P.L. 106-252, 4  
3           U.S.C. 124(5).

4           (m) "International telecommunications service" means a telecommunications  
5           service that originates or terminates in the United States and terminates or originates  
6           outside the United States, respectively. The United States includes each of the fifty  
7           United States, the District of Columbia, and each United States territory, or  
8           possession.

9           (n) "Interstate telecommunications service" means a telecommunications  
10          service that originates in one U.S. state, territory, or possession, and terminates in a  
11          different U.S. state, territory, or possession.

12          (o) "Intrastate telecommunications service" means a telecommunications  
13          service that originates in one U.S. state, territory or possession, and terminates in the  
14          same U.S. state, territory, or possession.

15          (p) "Mobile telecommunications service" has the same meaning given to  
16          such term in Section 124(7) of the Mobile Telecommunications Sourcing Act, P.L.  
17          106-252, 4 U.S.C. 124(7).

18          (q) "Mobile wireless service" means a telecommunications service,  
19          regardless of the technology used, whereby the origination or termination points, or  
20          both, of the transmission, conveyance or routing are not fixed, including but not  
21          limited to telecommunications services that are provided by a commercial mobile  
22          radio service provider.

23          (r) "Place of primary use" means the street address representative of where  
24          the customer's use of the telecommunications service primarily occurs, which must  
25          be the residential street address or the primary business street address of the  
26          customer. In the case of mobile telecommunications services, the place of primary  
27          use must be within the licensed service area of the home service provider.

28          (s) "Postpaid calling service" means a telecommunications service obtained  
29          by making a payment on a call-by-call basis either through the use of a credit card



1 or payment mechanism such as a bank card, travel card, credit card, or debit card, or  
2 by charge made to a telephone number which is not associated with the origination  
3 or termination of the telecommunications service. A postpaid calling service  
4 includes a telecommunications service, except a prepaid wireless calling service, that  
5 would be a prepaid calling service, except that the right provided is not exclusively  
6 to access telecommunications services.

7 (t) "Prepaid calling service" means the right to access exclusively  
8 telecommunications services, which must be paid for in advance and which enables  
9 the origination of calls using an access number or authorization code, whether  
10 manually or electronically dialed, and that is sold in predetermined units or dollars  
11 of which the number declines with use in a known amount.

12 (u) "Prepaid wireless calling service" means a telecommunications service  
13 that provides the right to utilize mobile wireless service as well as non-  
14 telecommunications services, including the download of digital products delivered  
15 electronically, content, and ancillary services, which must be paid for in advance and  
16 which is sold in predetermined units or dollars of which the number declines with  
17 use in a known amount.

18 (v) "Private communication service" means a telecommunications service  
19 that entitles the customer to exclusive or priority use of a communications channel  
20 or group of channels between or among termination points, regardless of the manner  
21 in which such channel or channels are connected, and includes switching capacity,  
22 extension lines, stations, and any other associated services that are provided in  
23 connection with the use of such channel or channels.

24 (w) "Service address" means:

25 (i) The location of the telecommunications equipment to which a customer's  
26 call is charged and from which the call originates or terminates, regardless of where  
27 the call is billed or paid.

28 (ii) If the location in Item (i) of this Subparagraph is not known, "service  
29 address" means the origination point of the signal of the telecommunications service

1 first identified by either the seller's telecommunications system or, in information  
2 received by the seller from its service provider, where the system used to transport  
3 such signals is not that of the seller.

4 (iii) If the location in both Items (i) and (ii) of this Subparagraph are not  
5 known, "service address" means the location of the customer's place of primary use.

6 (x) "Telecommunications service" means the electronic transmission,  
7 conveyance, or routing of voice, data, audio, video, or any other information or  
8 signals to a point, or between or among points. "Telecommunications service"  
9 includes such transmission, conveyance, or routing in which computer processing  
10 applications are used to act on the form, code, or protocol of the content for purposes  
11 of transmission, conveyance, or routing without regard to whether such service is  
12 referred to as voice over Internet protocol service or is classified by the Federal  
13 Communications Commission as an enhanced or value-added service.

14 "Telecommunications service" does not include any of the following:

15 (i) Data processing or information services which allow data to be generated,  
16 acquired, stored, processed, or retrieved and delivered by an electronic transmission  
17 to a purchaser where such purchaser's primary purpose for the underlying transaction  
18 is the processed data or information.

19 (ii) Installation or maintenance of wiring or equipment on a customer's  
20 premises.

21 (iii) Tangible personal property.

22 (iv) Advertising, including but not limited to directory advertising.

23 (v) Billing and collection services provided to third parties.

24 (vi) Internet access service.

25 (vii) Radio and television audio and video programming services, regardless  
26 of the medium, including the furnishing of transmission, conveyance, and routing of  
27 such services by the programming service provider. Radio and television audio and  
28 video programming services shall include but not be limited to cable service as

1 defined in 47 U.S.C. 522(6) and audio and video programming services delivered by  
2 commercial mobile radio service providers, as defined in 47 CFR 20.3.

3 (viii) Ancillary services.

4 (ix) Digital products delivered electronically, including but not limited to  
5 software, music, video, reading materials, or ring tones.

6 (x) Prepaid calling service and prepaid wireless calling service.

7 (y) "Vertical service" means a service that is offered in connection with one  
8 or more telecommunications services which offers advanced calling features that  
9 allow customers to identify callers and to manage multiple calls and call connections.

10 (z) "Voice mail service" means a service that enables the customer to store,  
11 send, or receive recorded messages services. The term "voice mail service" does not  
12 include any telecommunications or vertical services that the customer may be  
13 required to have in order to utilize the voice mail service.

14 ~~B. The words, terms, and phrases used in this Chapter shall have the same~~  
15 ~~meaning ascribed to them as provided for in R.S. 47:301, unless the context clearly~~  
16 ~~indicates a different meaning, except to the extent expressly limited in that Section.~~

17 \* \* \*

18 §337.9. Exemptions applicable to local tax ~~in Chapters 2, 2-A, and 2-B; other~~  
19 ~~exemptions applicable~~

20 A. ~~Except as provided for in this Chapter, the Uniform Local Sales Tax~~  
21 ~~Code, the sales and use tax exemptions in Chapters 2, 2-A, and 2-B of this Title as~~  
22 ~~set forth in the provisions of law cited in the following Subsections of this Section,~~  
23 ~~and no other, shall apply to the sales and use taxes of political subdivisions. The use~~  
24 ~~of the "key words" following the statutory citations in this Section are illustrative~~  
25 ~~only, and they are intended to aid in clarity and ease of finding the law, and they are~~  
26 ~~not intended to expand, contract, or otherwise modify or change the intent of the~~  
27 ~~cited provisions of law. Except as provided for in this Chapter, no other sales and~~  
28 ~~use tax exemptions shall apply to the sales and use taxes of political subdivisions.~~

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

1           B. ~~R.S. 47:302(D), "key words": advertising services rendered by an~~  
2 ~~advertising business.~~ Notwithstanding any other provision of law to the contrary, no  
3 local sales or use tax of any political subdivision shall be levied on any advertising  
4 service rendered by an advertising business, including but not limited to advertising  
5 agencies, design firms, and print and broadcast media, or any member, agent, or  
6 employee thereof, to any client whether or not such service also involves a transfer  
7 to the client of tangible personal property. However, a transfer of mass-produced  
8 advertising items by an advertising business which manufactures the items itself to  
9 a client for the client's use, which transfer involves the furnishing of minimal  
10 services other than manufacturing services by the advertising business shall be a  
11 taxable sale or use of tangible personal property; provided that in no event shall tax  
12 be levied on charges for creative services which are separately invoiced.

13           C.(1) ~~R.S. 47:305(A)(1), "key words": direct sales of livestock, poultry, and~~  
14 ~~other farm products.~~ The gross proceeds derived from the sale in this state of  
15 livestock, poultry, and other farm products direct from the farm are exempted from  
16 the tax levied by political subdivisions, provided that such sales are made directly  
17 by the producers. When sales of livestock, poultry, and other farm products are made  
18 to consumers by any person other than the producer, they are not exempted from the  
19 tax imposed by political subdivisions.

20           (2) ~~R.S. 47:305(A)(3), "key words": the sale of agricultural commodities as~~  
21 ~~a raw product.~~ Every agricultural commodity sold by any person, other than a  
22 producer, to any other person who purchases not for direct consumption but for the  
23 purpose of acquiring raw product for use or for sale in the process of preparing,  
24 finishing, or manufacturing such agricultural commodity for the ultimate retail  
25 consumer trade, shall be exempted from any and all provisions of the sales and use  
26 tax imposed by a political subdivision, including payment of the tax applicable to the  
27 sale, storage, use, transfer, or any other utilization of or handling thereof, except  
28 when such agricultural commodity is actually sold as a marketable or finished  
29 product to the ultimate consumer, and in no case shall more than one tax be exacted.

1        For the purposes of this Section, "agricultural commodity" means horticultural,  
2        viticultural, poultry, farm and range products, and livestock and livestock products.

3                ~~(3) R.S. 47:305(A)(4), "key words": the purchase of feed and feed additives.~~

4        (a) The purchase of feed and feed additives for the purpose of sustaining animals  
5        which are held primarily for commercial, business, or agricultural use shall be  
6        exempted from the taxes levied by political subdivisions.

7                (b) For purposes of this Paragraph:

8                (i) "Commercial use" means the purchasing, producing, or maintaining of  
9        animals, including breeding stock, for resale;

10               (ii) "Business use" means the keeping and maintaining of animals which are  
11       used in performing services in conjunction with a business enterprise, such as sentry  
12       dogs and rental horses;

13               (iii) "Agricultural use" means the maintaining of work animals and beasts of  
14       burden which are utilized in the activity of producing crops or animals for market,  
15       in the production of food for human consumption, in the production of animal hides  
16       or other animal products for market, or in the maintaining of breeding stock for the  
17       propagation of such agricultural use animals.

18               (c) This exemption shall not apply to the purchase of feed or feed additives  
19       for animals kept primarily for personal, sporting, or other purposes, including but not  
20       limited to purchases for pets of any kind or hunting dogs.

21               ~~(4) R.S. 47:305(B), "key words": farm products used by farmers. For~~  
22       purposes of the sales and use tax of political subdivisions, the "use tax," as defined  
23       herein, shall not apply to livestock and livestock products, to poultry and poultry  
24       products, to farm, range and agricultural products when produced by the farmer and  
25       used by him and members of his family.

26               ~~(5) R.S. 47:305(C), "key words": returned motor vehicles. For purposes of~~  
27       the sales and use tax of political subdivisions, where a part of the cost price of a  
28       motor vehicle is represented by a motor vehicle returned to the dealer's inventory,

1 the use tax is payable on the total cost price less the wholesale value of the article  
2 returned.

3 (6) ~~R.S. 47:305(D)(1)(a), "key words": gasoline.~~ The sale at retail, the use,  
4 the consumption, the distribution, and the storage to be used or consumed in the  
5 taxing jurisdiction of gasoline is hereby specifically exempted from the tax imposed  
6 by political subdivisions.

7 (7) ~~R.S. 47:305(D)(1)(b), "key words": steam.~~ The sale at retail, the use, the  
8 consumption, the distribution, and the storage to be used or consumed in the taxing  
9 jurisdiction of steam is hereby specifically exempted from the tax imposed by  
10 political subdivisions.

11 (8) ~~R.S. 47:305(D)(1)(c), "key words": water.~~ The sale at retail, the use, the  
12 consumption, the distribution, and the storage to be used or consumed in the taxing  
13 jurisdiction of water, not including mineral water or carbonated water or any water  
14 put in bottles, jugs or containers, all of which are not exempted, is hereby  
15 specifically exempted from the tax imposed by political subdivisions.

16 (9) ~~R.S. 47:305(D)(1)(d), "key words": electric power or energy and fuel.~~  
17 The sale at retail, the use, the consumption, the distribution, and the storage to be  
18 used or consumed in the taxing jurisdiction of electric power or energy and any  
19 materials or energy sources used to fuel the generation of electric power for resale  
20 or used by an industrial manufacturing plant for self-consumption or cogeneration,  
21 is hereby specifically exempted from the tax imposed by political subdivisions.

22 (10) The sale at retail, the use, the consumption, the distribution, and the  
23 storage to be used or consumed in the taxing jurisdiction of fertilizer and containers  
24 used for farm products when sold directly to the farmer is hereby specifically  
25 exempted from the tax imposed by political subdivisions.

26 (11) ~~R.S. 47:305(D)(1)(f), "key words": farm fertilizer and containers.~~ The  
27 sale at retail, the use, the consumption, the distribution, and the storage to be used

1 or consumed in the taxing jurisdiction of natural gas is hereby specifically exempted  
2 from the tax imposed by political subdivisions.

3 (12) ~~R.S. 47:305(D)(1)(g), "key words": natural gas.~~ The sale at retail, the  
4 use, the consumption, the distribution, and the storage to be used or consumed in the  
5 taxing jurisdiction of all energy sources when used for boiler fuel except refinery gas  
6 are hereby specifically exempted from the tax imposed by political subdivisions.

7 (13) ~~R.S. 47:305(D)(1)(h), "key words": boiler fuel except refinery gas.~~ (a)  
8 The sale at retail, the use, the consumption, the distribution, and the storage to be  
9 used or consumed in the taxing jurisdiction of new trucks, new automobiles, new  
10 motorcycles, new aircraft, and new boats, vessels, or other water craft withdrawn  
11 from stock or kept in a dealer's inventory by factory authorized new truck, new  
12 automobile, new motorcycle, new aircraft dealers, and factory authorized dealers of  
13 new boats, vessels, or other water craft, for use as demonstrators are hereby  
14 specifically exempted from the tax imposed by political subdivisions.

15 (b) The sale at retail, the use, the consumption, the distribution, and the  
16 storage to be used or consumed in the taxing jurisdiction of used trucks and used  
17 automobiles withdrawn from stock or kept in a dealer's inventory by new or used  
18 motor vehicle dealers for use as demonstrators are hereby specifically exempted  
19 from the tax imposed by political subdivisions.

20 (14) ~~R.S. 47:305(D)(1)(i), "key words": demonstrators.~~ Solely for the  
21 purposes of the sales and use tax of political subdivisions, the sale to, or the purchase  
22 by, an individual or by a medical service provider such as a physician, clinic,  
23 surgical center, or other healthcare facility of a prosthetic device which is sold or  
24 purchased with the intention of being personally used or consumed by individuals  
25 pursuant to a prescription by a physician when the individual is covered by the state  
26 of Louisiana Medicaid insurance program or a Medicaid insure program  
27 administered by third party on behalf of the state of Louisiana is hereby specifically  
28 exempted from the tax imposed by political subdivision.

1           (14.1) ~~R.S. 47:305(D)(1)(k), "key words": prosthetic devices.~~ The sale at  
2           retail, the use, the consumption, the distribution, and the storage to be used or  
3           consumed in the taxing jurisdiction of orthotic devices, prosthetic devices, prostheses  
4           and restorative materials utilized by or prescribed by dentists in connection with  
5           health care treatment or for personal consumption or use and any and all dental  
6           devices used exclusively by the patient or administered exclusively to the patient by  
7           a dentist or dental hygienist in connection with dental or health care treatment are  
8           hereby specifically exempted from the tax imposed by political subdivisions.  
9           Notwithstanding any other provision of law to the contrary, the exemptions from the  
10          sales and use tax provided in this Paragraph shall be applicable to any sales and use  
11          tax levied by any local governmental subdivision or school board.

12           (15) ~~R.S. 47:305(D)(1)(t), "key words": devices utilized or prescribed by~~  
13          ~~dentists.~~ (a) Sales of meals furnished as follows shall be exempt:

14           (i) To the staff and students of educational institutions, including but not  
15          limited to kindergartens, if the meals are consumed on the premises where  
16          purchased, or if they are purchased in advance by students, faculty, or staff pursuant  
17          to a meal plan sponsored by the institution or organization or purchased in advance  
18          pursuant to any other payment arrangement sanctioned by the institution or  
19          organization and generally available to students, faculty, and staff of the institution  
20          or organization, regardless of where such meals are consumed.

21           (ii) To the staff and patients of hospitals and to the staff and residents of  
22          nursing homes, adult residential care providers, and continuing care retirement  
23          communities.

24           (iii) To the staff, inmates, and patients of mental institutions.

25           (iv) To the boarders of rooming houses.

26           (v) Occasional meals furnished to the public in educational, religious, or  
27          medical organization facilities.



1           (b) Except as provided for in Item (a)(i) of this Paragraph, the furnishing of  
2           such meals shall be exempt from the taxes imposed by this Chapter if the meals are  
3           consumed on the premises where purchased.

4           ~~(16) R.S. 47:305(D)(2), "key words": sales of meals.~~ Sales taxes authorized  
5           and imposed by any political subdivision shall not apply to the procurement and  
6           administration of cancer and related chemotherapy prescription drugs used  
7           exclusively by the patient in his medical treatment when administered exclusively  
8           to the patient by a physician, nurse, or other health care professional in a physician's  
9           office where patients are not regularly kept as bed patients for twenty-four hours or  
10          more.

11          ~~(17) R.S. 47:305(D)(4)(b), "key words": the procurement and administration~~  
12          ~~of cancer and related chemotherapy prescription drugs used exclusively by the~~  
13          ~~patient in his medical treatment.~~ (a) However sales taxes authorized and imposed  
14          by any school board, municipality, or other local taxing authority shall not apply to  
15          the sale of prescription drugs under the pharmaceutical vendor program for Title XIX  
16          of the Social Security Act as administered by the Louisiana Department of Health  
17          of the state of Louisiana. Beginning January 1, 1999, such taxes shall not apply to  
18          the sale of such drugs under Title XXI of the Social Security Act as administered by  
19          such department.

20          (b) The administration of prescription drugs used exclusively by the patient  
21          in the medical treatment of various diseases or injuries when administered  
22          exclusively to the patient by a physician, nurse, or other health care professional in  
23          a physician's office where patients are not regularly kept as bed patients for twenty-  
24          four hours or more shall be a professional service.

25          (c) After July 1, 1999, school boards, municipalities, and other local taxing  
26          authorities may by ordinance or resolution provide for the following:

27          (i) An exemption for the sale of prescription drugs administered as provided  
28          for in Subparagraph (b) of this Paragraph, or an exemption for the procurement and  
29          administration of chemotherapy drugs used exclusively by the patient in his medical

1 treatment if administered exclusively to the patient by a physician, nurse, or other  
2 health care professional in a physician's office where patients are not regularly kept  
3 as bed patients for twenty-four hours or more.

4 (ii) An amnesty for any person who may have been responsible to impose,  
5 collect, and/or remit the tax previously imposed on the transactions provided for in  
6 Subparagraph (b) and (c) of this Paragraph prior to the time such exemption and/or  
7 amnesty is granted according to such reasonable terms and conditions as the  
8 respective school boards, municipalities and other local taxing authorities may adopt.

9 (18) R.S. 47:305(D)(5)(a), "key words": the sale of prescription drugs under  
10 the pharmaceutical vendor program for Title XIX of the Social Security Act as  
11 administered by the Department of Health and Human Resources of the state of  
12 Louisiana. The exemptions from the state sales and use tax provided in R.S.  
13 47:305(D)(6) in existence as of the effective date of Act 205 of 1978 shall be  
14 applicable to any sales and use tax levied by any local governmental subdivision or  
15 school board except as otherwise specifically provided in R.S. 47:305(D). Without  
16 determining the validity of any exemptions placed in R.S. 47:305(D) subsequent to  
17 the effective date of Act 205 of 1978, all Acts after the 1991 Regular Session placing  
18 an exemption in R.S. 47:305(D) which is applicable to a political subdivision must,  
19 to be effective, specifically provide in the title and body of the bill that it is  
20 applicable to a political subdivision. The exemptions effective prior to January 1,  
21 2027 provided in R.S. 47:305(D)(1)(t) are hereby deemed to specifically comply  
22 with Act 205 of 1978.

23 (19) R.S. 47:305(D)(5)(a), "key words": Beginning January 1, 1999, for the  
24 sale of prescription drugs under Title XXI of the Social Security Act as administered  
25 by such department, retroactivity. It is not the intention of any taxing authority to  
26 levy a tax upon articles of tangible personal property imported into this state, or  
27 produced or manufactured in this state, for export; nor is it the intention of any  
28 taxing authority to levy a tax on bona fide interstate commerce; however, nothing  
29 herein shall prevent the collection of the taxes due on sales of tangible personal

1 property into this state which are promoted through the use of catalogs and other  
2 means of sales promotion and for which federal legislation or federal jurisprudence  
3 enables the enforcement of the sales tax of a taxing authority upon the conduct of  
4 such business. It is, however, the intention of the taxing authorities to levy a tax on  
5 the sale at retail, the use, the consumption, the distribution, and the storage to be used  
6 or consumed in this state, of tangible personal property after it has come to rest in  
7 this state and has become a part of the mass of property in this state. At such time  
8 as federal legislation or federal jurisprudence as to sales in interstate commerce  
9 promoted through the use of catalogs and other means of sales promotions enables  
10 the enforcement of Chapter 2 of this Subtitle, or any other law or local ordinance  
11 imposing a sales tax against vendors that have no other nexus with the taxing  
12 jurisdiction, the following provisions shall apply to such sales on which sales and use  
13 tax would not otherwise be collected.

14 (20) ~~R.S. 47:305(D)(5)(b), "key words": the administration of prescription~~  
15 ~~drugs used exclusively by the patient in the medical treatment of various diseases or~~  
16 ~~injuries.~~ The sales, use and lease taxes imposed by political subdivisions shall not  
17 apply to the amounts paid by radio and television broadcasters for the right to exhibit  
18 or broadcast copyrighted material and the use of film, video or audio tapes, records  
19 or any other means supplied by licensors thereof in connection with such exhibition  
20 or broadcast and the sales and use tax shall not apply to licensors or distributors  
21 thereof.

22 (21) ~~R.S. 47:305(D)(6), "key words": exemptions from the state sales and~~  
23 ~~use tax provided in R.S. 47:305 in existence as of the effective date of Act 205 of~~  
24 ~~1978, except as otherwise specifically provided in R.S. 47:305(D); the requirement~~  
25 ~~concerning specifically providing in the title and body of any Act subsequent to the~~  
26 ~~effective date of that Act that it is applicable to a political subdivision in order for~~  
27 ~~such Act to be effective.~~ The sales, use, and lease taxes imposed by political  
28 subdivisions shall not apply to the purchase or rental by private individuals of

1 machines, parts therefor, and materials and supplies which a physician has prescribed  
2 for home renal dialysis.

3 (22) ~~R.S. 47:305(E), "key words": articles of tangible personal property~~  
4 ~~imported into a taxing jurisdiction, or produced or manufactured in a taxing~~  
5 ~~jurisdiction, for export, and for bona fide interstate commerce; the intention of any~~  
6 ~~local ordinance and this Chapter that a tax be levied on the sale at retail, the use, the~~  
7 ~~consumption, the distribution, and the storage to be used or consumed in the taxing~~  
8 ~~jurisdiction, of tangible personal property after it has come to rest in the taxing~~  
9 ~~jurisdiction and has become a part of the mass of property in the taxing jurisdiction.~~  
10 "Demonstrators" as used in Paragraph (5) of this Subsection for purposes of the sales  
11 and use tax levied by all political subdivisions shall mean all of the following:

12 (a) New and used trucks and automobiles for which dealer inventory plates  
13 may be obtained pursuant to R.S. 47:473, and new aircraft titled in the dealer's name  
14 for use as demonstrators which are kept primarily on the dealer's premises during  
15 normal business hours and which are available for demonstration purposes.  
16 However, the occasional use of a demonstrator by authorized personnel of the dealer  
17 shall not disqualify such demonstrator from the exemption herein designated.

18 (b) New boats, vessels, or other water craft, hereafter, "boats," which comply  
19 with all the following:

20 (i) They are registered in a boat, vessel, or water craft dealer's name with the  
21 appropriate agency.

22 (ii) They are reported by the dealer to the department as demonstrators and  
23 are clearly identified as demonstrators in the manner required by the department.

24 (iii) They are used by those designated by such dealer for any activity which  
25 results in the advertisement, promotion of sales, or demonstration of the qualities of  
26 the boat for the purpose of increasing sales of such boats; provided that such use  
27 does not occur on more than six consecutive days and does not occur on more than  
28 twelve days in any calendar month. The dealer shall keep such logs or other records  
29 of such use as shall be required by the department.

1           ~~(iv) They are ultimately sold at retail.~~

2           ~~(23) R.S. 47:305(F), "key words": broadcasters or exhibit rights. The sales~~  
3           ~~and use taxes imposed by any political subdivisions shall not apply to the labor, or~~  
4           ~~sale of materials, services, and supplies, used for repairing, renovating or converting~~  
5           ~~of any drilling rig, or machinery and equipment which are component parts thereof,~~  
6           ~~which is used exclusively for the exploration or development of minerals outside the~~  
7           ~~territorial limits of the state in Outer Continental Shelf waters. For the purposes of~~  
8           ~~this Paragraph, "drilling rig" means any unit or structure, along with its component~~  
9           ~~parts, which is used primarily for drilling, workover, intervention or remediation of~~  
10          ~~wells used for exploration or development of minerals. For purposes of this~~  
11          ~~Paragraph, "component parts" means any machinery or equipment necessary for a~~  
12          ~~drilling rig to perform its exclusive function of exploration or development of~~  
13          ~~minerals.~~

14          ~~(24) R.S. 47:305(G), "key words": home renal dialysis machines.~~

15          ~~(25) R.S. 47:305(H), "key words": demonstrators.~~

16          ~~(26) R.S. 47:305(I), "key words": drilling rigs and component parts.~~

17          ~~D.(1) R.S. 47:305.1, "key words": property which becomes component parts~~  
18          ~~of ships, vessels, or barges and for materials and supplies purchased for vessels~~  
19          ~~operating exclusively in foreign or interstate coastwise commerce. (a) The tax~~  
20          ~~imposed by political subdivisions shall not apply to sales of materials, equipment,~~  
21          ~~and machinery which enter into and become component parts of ships, vessels, or~~  
22          ~~barges, including commercial fishing vessels, drilling ships, or drilling barges, of~~  
23          ~~fifty tons load displacement and over, built in Louisiana nor to the gross proceeds~~  
24          ~~from the sale of such ships, vessels, or barges when sold by the builder thereof.~~

25          ~~(b) The taxes imposed by political subdivisions shall not apply to materials~~  
26          ~~and supplies purchased by the owners or operators of ships, barges, or vessels,~~  
27          ~~including drilling ships, operating exclusively in foreign or interstate coastwise~~  
28          ~~commerce, where such materials and supplies are loaded upon any such ship, barge,~~  
29          ~~or vessel for use or consumption in the maintenance and operation thereof; nor to~~

1 repair services performed upon such ships, barges, or vessels operating exclusively  
2 in foreign or interstate coastwise commerce; nor to the materials and supplies used  
3 in such repairs where such materials and supplies enter into and become a  
4 component part of such ships, barges, or vessels; nor to laundry services performed  
5 for the owners or operators of such ships, barges, or vessels operating exclusively in  
6 foreign or interstate coastwise commerce, where the laundered articles are to be used  
7 in the course of the operation of such ships, barges, or vessels.

8 (c)(i) For purposes of this Paragraph, the term "foreign or interstate coastwise  
9 commerce" shall mean and include trade, traffic, transportation, or movement of  
10 passengers or property by, in, or on a ship, barge, or vessel, including a drilling ship:

11 (aa) Between a point in one state and a point outside the territorial  
12 boundaries of such state;

13 (bb) Between points in the same state where the trade, traffic, transportation,  
14 or movement of passengers or property traverses through a point outside of the  
15 territorial boundaries of such state;

16 (cc) At a point in or between points in the same state as part of or in  
17 connection with the business of providing or delivering materials, equipment, fuel,  
18 supplies, crew, repair services, laundry services, dredging waterways services,  
19 stevedoring services, other loading or unloading services, or ship, barge, or vessel  
20 movement services to or for ships, barges, or vessels, including drilling ships, that  
21 are operating in foreign or interstate coastwise commerce as defined in this  
22 Subparagraph; or

23 (dd) At a point in or between points in the same state when such trade,  
24 traffic, transportation, or movement of passengers or property is part of or consists  
25 of one or more segments of trade, traffic, transportation, or movement of passengers  
26 or property that either (I) follows movement of passengers or property into or within  
27 the state from a point beyond the territorial boundaries of such state, (II) precedes  
28 movement of the passengers or property from within the state to a point outside the  
29 territorial boundaries of such state, or (III) is part of a stream of trade, traffic,

1 transportation, or movement of passengers or property originating or terminating  
2 outside the territorial boundaries of such state or otherwise in foreign or interstate  
3 coastwise commerce, as defined in this Subparagraph.

4 (ii) The term "foreign or interstate coastwise commerce" shall not include  
5 intrastate commerce, which, for purposes of this Paragraph, shall mean any trade,  
6 traffic, transportation, or movement of passengers or property in any state that is not  
7 described in the term "foreign or interstate coastwise commerce" as defined in this  
8 Paragraph.

9 (iii) For purposes of this Paragraph, the term "component part" or  
10 "component parts" shall mean and include any item or article of tangible personal  
11 property that is:

12 (aa) Incorporated into, attached to, or placed upon a ship, vessel, barge,  
13 commercial fishing vessel, drilling ship, or drilling barge (collectively referred to in  
14 this Paragraph as "vessel" or "vessels") during either (i) the construction of such  
15 vessel in the case of the exemption provided in Subparagraph (a) of this Paragraph,  
16 or (ii) the repair of such vessel in the case of the exemption provided for in  
17 Subparagraph (b) of this Paragraph;

18 (bb) Required for the navigation or intended commercial operation of a  
19 vessel; or

20 (cc) Required to obtain certification or approvals from the United States  
21 Coast Guard or any regulatory agency or classification society with respect to a  
22 vessel.

23 (iv) For purposes of this Paragraph and except with respect to any gaming  
24 equipment, as defined in R.S. 27:44, the determination of whether any item or article  
25 of tangible personal property is a component part shall be made without regard to  
26 any provision of the Louisiana Civil Code.

27 (v) The provisions of Item (iii) of this Subparagraph shall not apply to any  
28 gaming equipment as defined in R.S. 27:44.

1            (d) The exemption from the sales tax provided in this Paragraph shall be  
2            applicable to any sales tax levied by a local governmental subdivision or school  
3            board.

4            ~~(2) R.S. 47:305.3, "key words": seeds used in planting crops.~~ The tax  
5            imposed by political subdivisions shall not apply to the sale at retail of seeds to a  
6            commercial farmer as defined in R.S. 47:337.6 for use in the planting of any kind of  
7            crops. The secretary may promulgate rules and regulations designed to carry out the  
8            provisions of this Paragraph, and any transaction not strictly in compliance with such  
9            rules and regulations shall lose the exemption provided in this Paragraph.

10           ~~(3) R.S. 47:305.6, "key words": Little Theater tickets.~~ The sales tax imposed  
11           by political subdivisions shall not apply to the sale of admission tickets by Little  
12           Theater organizations.

13           ~~(4) R.S. 47:305.7, "key words": tickets to musical performances of nonprofit~~  
14           ~~musical organizations.~~ The sales tax imposed by political subdivisions shall not  
15           apply to the sale of admission tickets by domestic nonprofit corporations or by any  
16           other domestic nonprofit organization known as a symphony organization or as a  
17           society or organization engaged in the presentation of musical performances;  
18           provided that this Paragraph shall not apply to performances given by out-of-state  
19           or nonresident symphony companies, nor shall this Paragraph apply to any  
20           performance intended to yield a profit to the promoters thereof.

21           ~~(5) R.S. 47:305.8, "key words": pesticides used for agricultural purposes.~~  
22           The tax imposed by political subdivisions shall not apply to sale at retail to a  
23           commercial farmer as defined in R.S. 47:337.6 of pesticides used for agricultural  
24           purposes, including particularly but not by way of limitation, insecticides, herbicides  
25           and fungicides.

26           ~~(6) R.S. 47:305.9, "key words": motion picture film rental.~~ The sales and use  
27           taxes imposed by any parish or municipality within the state shall not apply to the  
28           amount paid by the operator of a motion picture theatre to a distributing agency for  
29           use of films of photoplay.



1           (7) ~~R.S. 47:305.10, "key words": property~~ Property purchased for first use  
2           outside the state shall be exempt from sales and use tax levied by political  
3           subdivisions pursuant to R.S. 47:305.10.

4           (8) ~~R.S. 47:305.11, "key words": contracts~~ Contracts entered into prior to  
5           and within ninety days of tax levy shall be exempt from sales and use tax levied by  
6           political subdivisions pursuant to R.S. 47:305.11.

7           (9) ~~R.S. 47:305.13, "key words": admissions to entertainments furnished by~~  
8           ~~certain domestic nonprofit corporations.~~ The sales tax imposed by political  
9           subdivisions shall not apply to the sale of admissions to entertainment events  
10          furnished by recognized domestic nonprofit charitable, educational and religious  
11          organizations when the entire proceeds from such sales, except for necessary  
12          expenses connected with the entertainment events, are used for the purposes for  
13          which the organizations furnishing the events were organized.

14          (10) ~~R.S. 47:305.14, "key words": nonprofit organizations and certain~~  
15          ~~newspapers.~~ (a)(i)(aa) The sales and use taxes imposed by political subdivisions  
16          shall not apply to sales of tangible personal property at, or admission charges for,  
17          outside gate admissions to, or parking fees associated with, events sponsored by  
18          domestic, civic, educational, historical, charitable, fraternal, or religious  
19          organizations, which are nonprofit, when the entire proceeds, except for necessary  
20          expenses such as fees paid for guest speakers, chair and table rentals, and food and  
21          beverage utility related items connected therewith, are used for educational,  
22          charitable, religious, or historical restoration purposes, including the furtherance of  
23          the civic, educational, historical, charitable, fraternal, or religious purpose of the  
24          organization. In addition, newspapers published in this state by religious  
25          organizations shall also be exempt from such taxes, provided that the price paid for  
26          the newspaper or a subscription to the newspaper does not exceed the cost to publish  
27          such newspaper.

28          (bb) Notwithstanding any other provision of this Paragraph, the sales and use  
29          tax imposed by political subdivisions shall not apply to an event sponsored by a

1 domestic nonprofit organization that is exempt from tax in accordance with Section  
2 501(c)(3) of the Internal Revenue Code when the event provides Louisiana heritage,  
3 culture, crafts, art, food, and music, and the sponsor has contracted for production  
4 management and financing services for the event. Such services shall constitute  
5 necessary expenses of the sponsor for purposes of the event. The provisions of this  
6 Subitem shall apply only to the sales of tangible personal property and admission  
7 charges for, outside gate admissions to, or parking fees associated with an event  
8 when the sales, charges, and fees are payable to or for the benefit of the sponsor of  
9 the event. The provisions of this Subitem shall apply only to an event which  
10 transpires over a minimum of seven but not more than twelve days and has a five-  
11 year annual average attendance of at least three hundred thousand over the duration  
12 of the event. For purposes of determining the five-year annual average attendance,  
13 the calculation shall include the total annual attendance for each of the five most  
14 recent years.

15 (ii) The exemption provided herein shall not apply to any event intended to  
16 yield a profit to the promoter or to any individual contracted to provide services or  
17 equipment, or both, for the event.

18 (iii) This Paragraph shall not be construed to exempt any organization or  
19 activity from the payment of sales or use taxes otherwise required by law to be made  
20 on purchases made by these organizations.

21 (vi) This Paragraph shall not be construed to exempt regular commercial  
22 ventures of any type such as bookstores, restaurants, gift shops, commercial flea  
23 markets, and similar activities that are sponsored by organizations qualifying  
24 hereunder which are in competition with retail merchants. However, the exemption  
25 provided in this Paragraph shall apply to thrift shops located on military installations,  
26 the operation of which is deemed to be an "event" for purposes of this exemption.

27 (v) Notwithstanding any other provision of law to the contrary, for purposes  
28 of political subdivision sales and use tax, "sales and use" shall not mean the purchase  
29 of tangible personal property or taxable services, by nonprofit literacy organizations

1 in compliance with the court order from the Dodd Brumfield decision and Section  
2 501(c)(3) of the Internal Revenue Code, limited to books, workbooks, computers,  
3 computer software, films, videos, and audio tapes.

4 (b) This sponsorship of any event by any organization applying for an  
5 exemption hereunder must be genuine. Sponsorship will not be genuine in any case  
6 in which exemption from taxation is a major consideration leading to such  
7 sponsorship.

8 (c)(i) An annual exemption certificate shall be obtained from the collector  
9 of revenue, under such regulations as he shall prescribe, in order for nonprofit  
10 organizations to qualify for the exemption provided in this Section. Any event held  
11 pursuant to such annual exemption certificate shall be subject to review for  
12 compliance with the provisions of law and regulations governing this exemption.

13 (ii) In the event the collector of revenue denies tax exempt status under this  
14 Paragraph, the organization may appeal such ruling to the Board of Tax Appeals,  
15 which may overrule the collector of revenue and grant tax exempt status if the Board  
16 of Tax Appeals determines that the denial of tax exempt status by the collector of  
17 revenue was arbitrary, capricious, or unreasonable.

18 (iii) However, any organization that endorses any candidate for political  
19 office or otherwise is involved in political activities shall not be eligible for the  
20 exemption herein provided.

21 (d) Notwithstanding any other provision of law to the contrary, the proper  
22 venue in any proceeding to determine the tax exempt status under the provisions of  
23 this Paragraph shall be the parish in which the activity for which the tax exempt  
24 status is claimed took place, or any parish in which the taxpayer has a corporate  
25 presence, to be determined at the discretion of the taxpayer.

26 (11) R.S. 47:305.15, "key words": sales or purchases by blind persons: (a)  
27 The sales and use taxes levied and the collection, reporting, and remittance thereof  
28 required by political subdivisions shall not apply to sales or purchases made by blind

1 persons in the conduct of a business which is exempt from license taxes by R.S.  
2 23:3032 and 3033.

3 (b) In addition, the sales and use taxes imposed by any political subdivision  
4 shall not apply to any nonprofit organization which utilizes public funds for not less  
5 than seventy-five percent of its operational funding and which primarily operates to  
6 provide funding for and training to blind persons.

7 (12) ~~R.S. 47:305.16, "key words": cable television installation and repair.~~  
8 The sales and use taxes imposed by any political subdivision shall not apply to  
9 necessary fees incurred in connection with the installation and service of cable  
10 television. Such exemption shall not apply to purchases made by any cable  
11 television system, but shall only apply to funds collected from the subscriber for  
12 regular service, installation and repairs.

13 (13) ~~R.S. 47:305.17, "key words": income from coin-operated washing and~~  
14 ~~drying machines in a commercial laundromat.~~ Sales taxes imposed by any parish,  
15 municipality, school board, or other political subdivision, within the state, shall not  
16 apply to or be imposed upon the income on receipts from any coin-operated washing  
17 or drying machine in a commercial laundromat. A commercial laundromat, for  
18 purposes of this Paragraph, is defined to be any establishment engaged solely in the  
19 business of furnishing washing or drying laundry services by means of coin-operated  
20 machines.

21 (14) ~~R.S. 47:305.19, "key words": leased vessels used in the production of~~  
22 ~~minerals.~~ The taxes imposed by political subdivisions shall not apply to those  
23 vessels which are leased for use offshore beyond the territorial limits of this state for  
24 the production of oil, gas, sulphur, and other minerals or for the providing of services  
25 to those engaged in such production.

26 (15) ~~R.S. 47:305.28, "key words": gasohol.~~ (a) The sales or use taxes  
27 imposed by any parish or municipality or other local entity within the state shall not  
28 apply to the sale at retail, the use, the consumption, the distribution, and the storage,  
29 to be used or consumed in this state, of any motor fuel known as gasohol, containing

1        a blend of at least ten percent alcohol, if the alcohol therein has been produced,  
2        fermented, and distilled in Louisiana from agricultural commodities. Alcohol to be  
3        used in gasohol must have been rendered unsuitable for human consumption at the  
4        time of its manufacture or immediately thereafter.

5                (b) Gasohol, in order to qualify for this exemption must have been dyed a  
6        color which shall be different and distinct from other gasolines. The secretary of the  
7        Department of Revenue shall designate the color used and supplied by the dealer in  
8        the manufacture of gasohol.

9                ~~(16) R.S. 47:305.38, "key words": sheltered workshops or supported~~  
10        ~~employment providers as defined in R.S. 39:1604.4, for persons with intellectual~~  
11        ~~disabilities. The sale at retail, the use, the consumption, the distribution, and the~~  
12        ~~storage for use or consumption in this state of each item or article of tangible~~  
13        ~~personal property by a sheltered workshop or a supported employment provider as~~  
14        ~~defined in R.S. 39:1604.4 for persons with intellectual disabilities licensed by the~~  
15        ~~Department of Children and Family Services as a day developmental training center~~  
16        ~~for persons with intellectual disabilities shall not be subject to the sales and use taxes~~  
17        ~~levied by any political subdivision.~~

18                ~~(17) R.S. 47:305.41, "key words": Ducks Unlimited and Bass Life. The~~  
19        ~~sales and use tax imposed by local governmental subdivisions or school boards shall~~  
20        ~~not apply to either the sales of Ducks Unlimited or Bass Life or any of their chapters~~  
21        ~~or any rental or purchase of property or services by Ducks Unlimited or Bass Life~~  
22        ~~or any of their chapters.~~

23                ~~(18) R.S. 47:305.43, "key words": nonprofit organizations dedicated to the~~  
24        ~~conservation of fish or migratory waterfowl. (a) The sales and use taxes imposed~~  
25        ~~by political subdivisions shall not apply to any sales made by a nonprofit~~  
26        ~~organization dedicated exclusively to the conservation of fish or the migratory~~  
27        ~~waterfowl of the North American Continent and to the preservation and conservation~~  
28        ~~of wetland habitat of such waterfowl, when the entire proceeds, except for the~~  
29        ~~necessary expenses connected therewith, are used in furtherance of the organization's~~

1 exempt purpose. The exemption provided herein shall not apply to any event  
2 intended to yield a profit to the promoter or to any individual contracted to provide  
3 services or equipment, or both, for the event.

4 (b) Purchases by any organization qualifying hereunder shall be exempt from  
5 the payment of any sales or use taxes imposed by political subdivisions.

6 (c) This Subparagraph shall not be construed to exempt sales or purchases  
7 made in connection with regular commercial ventures of any type such as  
8 bookstores, restaurants, gift shops, commercial flea markets, or similar activities that  
9 are sponsored by organizations qualifying hereunder which are in competition with  
10 retail merchants.

11 (d) Sponsorship of any event by any organization applying for an exemption  
12 hereunder must be genuine. Sponsorship shall not be genuine in any case in which  
13 exemption from taxation is a major consideration leading to such sponsorship.

14 (e) An exemption certificate must be obtained from the secretary of the  
15 Department of Revenue, under such regulations as he shall prescribe, in order for a  
16 nonprofit organization to qualify for the exemption provided in this Paragraph.

17 (19) ~~R.S. 47:305.44, "key words": raw materials used in the printing process.~~

18 (a) The sales and use taxes imposed by any political subdivision shall not apply to  
19 purchases and sales of the following, including all chemical supplies necessary to  
20 produce such items whether manufactured by a printer or purchased from a  
21 subcontractor:

22 (i) Artwork.

23 (ii) Blankets and bars.

24 (iii) Chemicals.

25 (iv) Color separations.

26 (v) Dies.

27 (vi) Film, including negatives.

28 (vii) Offset plates.

29 (viii) Press proofs and photomechanical proofs.

1            (ix) Layouts.

2            (x) Typesetting.

3            (xi) Rubber plates.

4            (xii) Paper.

5            (xiii) Ink.

6            (b) The exemption provided in Subparagraph (a) shall apply on and after the  
7 effective date of Act No. 847 of the 1985 Regular Session.

8            ~~(20) R.S. 47:305.45, "key words": per diem or car hire on freight cars, piggy-~~  
9 ~~back cars, and rolling stock.~~ (a) The sales, use, and lease tax imposed by political  
10 subdivisions shall not apply to:

11            (i) Hourly, daily, or periodic mileage or other charges referred to as "per  
12 diem or car hire" on freight cars and other rolling stock when such charges are paid  
13 by reason of the presence of freight cars and other rolling stock owned by another  
14 on the tracks of the taxpayer;

15            (ii) Piggy-back trailers or containers when brought into or operated as  
16 piggy-back trailers or containers in this state; and

17            (iii) Rolling stock, such as engines, switch engines, freight cars, and  
18 machinery owned, operated, or leased by a railroad or any other person, firm, or  
19 corporation.

20            (b) The exemptions from the sales, use, and lease tax provided in this  
21 Paragraph shall be applicable to any sales, use, and lease tax levied by any local  
22 government subdivision or school board.

23            ~~(21) R.S. 47:305.46, "key words": purchases with United States Department~~  
24 ~~of Agriculture Food Stamp Coupons; purchases made under the Women, Infants, and~~  
25 ~~Children's Program.~~ (a) The sales and use taxes imposed by any political  
26 subdivision shall not apply to the purchase of the following items:

27            (i) Eligible food items, as defined by the United States Department of  
28 Agriculture regulations for the Food Stamp Program, when such food items are  
29 purchased with United States Food Stamp Coupons.

1           (ii) Eligible food items authorized for purchase under the Women, Infants,  
2           and Children's (WIC) Program as administered by the Louisiana Department of  
3           Children and Family Services, when such items are purchased with WIC Program  
4           Vouchers.

5           (b) The exemptions granted pursuant to this Paragraph shall remain in effect  
6           as to each program only until applicable federal law, rules, or regulations permit the  
7           levy and collection of sales and use taxes on those exempted items without  
8           jeopardizing the contribution of funds by the federal government to such program.

9           (22) ~~R.S. 47:305.47, "key words": pharmaceutical samples distributed~~  
10          ~~without charge.~~ The sales and use tax imposed by political subdivisions shall not  
11          apply to pharmaceutical samples approved by the United States Food and Drug  
12          Administration which are manufactured in the state or imported into the state for  
13          distribution without charge to physicians, dentists, clinics, or hospitals.

14          (23) ~~R.S. 47:305.49, "key words": catalog distribution.~~ Notwithstanding any  
15          provision of law to the contrary, no sales or use tax shall be imposed by political  
16          subdivision on the value of catalogs distributed, or intended for distribution in the  
17          state, without charge to the recipient.

18          (24) ~~R.S. 47:305.50, "key words": vehicles used in interstate commerce; rail~~  
19          ~~rolling stock sold or leased in this state; railroad ties.~~ (a)(i) The sales and use tax  
20          imposed by any local political subdivisions shall not apply to trucks with a gross  
21          weight of twenty-six thousand pounds or more and to trailers if such trucks and  
22          trailers are used at least eighty percent of the time in interstate commerce and whose  
23          activities are subject to the jurisdiction of the United States Department of  
24          Transportation. The determination of whether a truck is used at least eighty percent  
25          of the time in interstate commerce shall be based solely on the actual mileage of such  
26          truck; however, no truck shall have more than twenty percent Louisiana intrastate  
27          miles.

28          (ii)(aa) The sales and use tax imposed by any political subdivisions shall not  
29          apply to the purchase, use, or lease of a qualifying truck or to the purchase, use, or



1 lease of a qualifying trailer purchased, imported, or leased, with or without a  
2 qualifying truck, for use with a qualifying truck.

3 (bb) For purposes of this Item, a qualifying truck shall meet the following  
4 requirements:

5 (I) Be registered as a Class 1 vehicle as defined in R.S. 47:462 and shall have  
6 a registered gross weight as defined in R.S. 47:451 of at least eighty thousand  
7 pounds.

8 (II) Be subject to the jurisdiction of the United States Department of  
9 Transportation.

10 (III) Will be registered or is registered with apportioned plates through the  
11 International Registration Plan or will be issued or is issued a special permit  
12 according to the provisions of R.S. 32:387(J) from the Louisiana Department of  
13 Transportation and Development. In cases of issuance of a special permit pursuant  
14 to the provisions of R.S. 32:387(J), the qualifying truck shall engage in no less than  
15 two hundred intermodal container moves per year regardless of whether such moves  
16 require a special permit. In the year of acquisition, sale, disposal, or destruction of  
17 the qualifying truck, the intermodal container moves per year requirement shall be  
18 prorated for the portion of the year the qualifying truck was owned, operated, or  
19 owned and operated by the taxpayer.

20 (cc) For purposes of this Item, a qualifying trailer shall be a trailer which is  
21 subject to the jurisdiction of the United States Department of Transportation.

22 (iii) The secretary shall promulgate rules and regulations in accordance with  
23 the Administrative Procedure Act, subject to oversight by the House Ways and  
24 Means Committee and the Senate Revenue and Fiscal Affairs Committee, to  
25 implement the provisions of this Subparagraph, including rules and regulations  
26 providing for the administration of audits, audit procedures, and the documents a  
27 taxpayer must retain in order to document the tax exemption authorized by this  
28 Subparagraph.

1           (iv) Notwithstanding the provisions of any other law to the contrary, prior  
2           to the commencement of an audit or investigation for purposes of determining the  
3           correct amount of the tax exemption, and prior to an examination or investigation of  
4           the place of business and the books, records, papers, vouchers, accounts, and  
5           documents of any taxpayer, the auditor shall submit written justification of such  
6           audit or investigation to the secretary of the Department of Revenue. The secretary  
7           shall approve the scope of action of the department. No audit or investigation shall  
8           proceed without approval by the secretary. However, there shall be no approval  
9           from the secretary necessary for a political subdivision to audit, examine, or  
10          investigate for the purpose of determining the correct amount of the tax exemption.

11          (v) During a gubernatorially declared state of emergency, if the declared  
12          emergency or related relief efforts of a taxpayer who is eligible for an exemption  
13          according to the provisions of this Subparagraph undermines the ability of such  
14          taxpayer to comply with the provisions of this Subparagraph, the secretary shall  
15          waive the requirements of this Subparagraph.

16          (vi) For purposes of this Subparagraph, the terms "trucks" and "trailers" shall  
17          have the meanings ascribed to the terms truck, trailer, road tractor, semitrailer,  
18          tandem truck, tractor, and truck-tractor in R.S. 47:451.

19          (b) The sales and use tax imposed by any local political subdivisions shall  
20          not apply to contract carrier buses if such buses are used at least eighty percent of the  
21          time in interstate commerce.

22          (c)(i) For purposes of this Paragraph, the term "bus" shall mean a  
23          commercial vehicle with a minimum passenger capacity of thirty-five persons and  
24          a minimum gross vehicle weight of twenty-six thousand pounds.

25          (ii) For purposes of this Paragraph, the term "contract carrier" shall mean any  
26          person transporting, other than as a common carrier, persons for hire, charge, or  
27          compensation, over any highway of this state, or however utilizing said public  
28          facilities for private gain to be realized chiefly out of such transportation service.

1           (d) The deputy secretary of public safety services of the Department of  
2           Public Safety and Corrections is hereby authorized to promulgate such forms and  
3           rules as may be necessary to implement the provisions of this Paragraph.

4           (e)(i) The sales and use tax imposed by any local political subdivisions or  
5           statewide taxing authorities shall not apply to rail rolling stock sold or leased in this  
6           state.

7           (ii) The sales and use tax imposed by the state of Louisiana or statewide  
8           taxing authorities shall not apply to parts or services used in the fabrication,  
9           modification, or repair of rail rolling stock. A political subdivision may, by  
10          ordinance, provide that sales and use tax imposed by the political subdivision shall  
11          not apply to parts or service used in the fabrication, modification, or repair of rail  
12          rolling stock.

13          (f) The sales and use tax imposed by any political subdivisions shall not  
14          apply to the "sales price" or "cost price" of railroad ties that a railroad purchases  
15          prior to long-term preservative treatment and installs into the railroad's track system  
16          outside the taxing jurisdiction of the political subdivision.

17          ~~(25) R.S. 47:305.51, "key words": utilities used by steelworks and blast~~  
18          ~~furnaces.~~ (a) The sales and use tax imposed by political subdivisions shall not apply  
19          to sales or purchases of utilities used by steelworks, blast furnaces, coke ovens, or  
20          rolling mills with more than one hundred twenty-five full-time employees, which are  
21          classified by the Louisiana Workforce Commission within Sector 331111 of the  
22          North American Industry Classification System as it existed in 2002. However, this  
23          exemption shall not apply to utilities used in and around the production of coke in  
24          oil refineries and the use of coke in oil refineries and other chemical processes.

25          (b) For purposes of this exemption, the term "utilities" shall mean sales of  
26          steam, water, electric power or energy, and natural gas.

27          ~~(26) R.S. 47:305.53, "key words": sickle cell disease organizations.~~ (i) The  
28          sale at retail, the rental or lease, the use, the consumption, the distribution, and the  
29          storage for use or consumption in this state of each item or article of tangible

1 personal property, or any taxable service, by a nonprofit organization established  
2 prior to 1975 which conducts a comprehensive program on sickle cell disease which  
3 includes but is not limited to free education, free testing, free counseling, and free  
4 prescriptions, transportation, and food packages for sickle cell patients shall not be  
5 subject to the sales and use taxes levied by political subdivisions.

6 (ii)(aa) An exemption certificate shall be obtained from the secretary, under  
7 such regulations as she shall prescribe, in order for a nonprofit organization to  
8 qualify for the exemption provided in this Item.

9 (bb) In the event the secretary denies tax exempt status under this Item, the  
10 organization may appeal such ruling to the Louisiana Board of Tax Appeals, which  
11 may overrule the secretary and grant tax exempt status to the organization.

12 (27) R.S. 47:305.59, "key words": charitable residential construction. The  
13 sales and use tax imposed by political subdivisions shall not apply to the sale of  
14 construction materials to Habitat for Humanity affiliates, Fuller Center for Housing  
15 covenant partners located in this state, or the Make it Right Foundation when such  
16 materials are intended for use in constructing new residential dwellings in this state.

17 (28) R.S. 47:305.60, "key words": certain water conservation equipment;  
18 Sparta Groundwater Conservation District. (a) The sales and use tax imposed by  
19 political subdivisions shall not apply to sales of water conservation equipment for  
20 use within the Sparta Groundwater Conservation District. Only persons defined as  
21 "users" under R.S. 38:3087.133(7) shall be eligible for this exemption.

22 (b) Any person seeking to qualify for this exemption must apply for an  
23 exemption certificate with the secretary of the Department of Revenue. Prior to  
24 application for an exemption certificate, the applicant must receive certification from  
25 the commissioner of conservation that the equipment qualifies as water conservation  
26 equipment. The certification by the commissioner of conservation shall be attached  
27 by the board to the application for the exemption certificate. In accordance with the  
28 powers defined in R.S. 38:3087.136, the board shall determine the types of

1 equipment which qualify as water conservation equipment, provided that such  
2 equipment must reduce water consumption by at least twenty-five percent.

3 (29) ~~R.S. 47:305.61, "key words": certain water conservation equipment;~~  
4 ~~Sparta Groundwater Conservation District.~~ The sales and use tax imposed by any  
5 political subdivisions shall not apply to the purchase, use, or rental of materials,  
6 services, property, and supplies, by the Fore!Kids Foundation, whose primary  
7 purpose is to fund children's service organizations from monies raised from golfing  
8 events.

9 (30) ~~R.S. 47:305.68, "key words": Fore!Kids Foundation.~~ The sales and use  
10 tax imposed by any political subdivision shall not apply to the sale of construction  
11 materials to the "Make It Right Foundation" when such materials are intended for  
12 use in constructing new residential dwellings in this state.

13 (31) ~~R.S. 47:305.70, "key words": certain construction materials sold to the~~  
14 ~~"Make It Right Foundation".~~ The sales and use tax imposed by any political  
15 subdivision as defined in R.S. 47:337.6 shall not apply to the sale of construction  
16 materials to the St. Bernard Project, Inc. when such materials are intended for use in  
17 rehabilitating existing residential dwellings or constructing new residential dwellings  
18 in this state.

19 (32) ~~R.S. 47:305.71, "key words": certain construction materials sold to the~~  
20 ~~"St. Bernard Project, Inc."~~ (a) No tax imposed by any parish, municipality, school  
21 board, or any other political subdivision shall be applicable to the sale of an antique  
22 motor vehicle as defined in Subparagraph (b) of this Paragraph. The exemption from  
23 local sales and use taxes contained in this Paragraph shall be granted notwithstanding  
24 any other provision of law to the contrary.

25 (b) For purposes of this Paragraph, the term "antique motor vehicle" shall  
26 mean a motor vehicle which meets the following criteria:

27 (i) The vehicle was manufactured at least twenty-five years ago and is not  
28 used for commercial purposes.

29 (ii) The motor vehicle is valued in excess of ten thousand dollars.



- 1                    (2)(a) "Digital television conversion equipment" shall include the following:
- 2                    (i) DTV transmitter and RF system.
- 3                    (ii) Transmission line.
- 4                    (iii) DTV antenna.
- 5                    (iv) Tower.
- 6                    (v) Existing tower structural upgrade.
- 7                    (vi) Advanced TV receiver (STL receiver).
- 8                    (vii) Decoder (digital to analog converter for NTSC).
- 9                    (viii) DTV transmission system test and monitoring.
- 10                  (ix) Digital video/audio master control switcher.
- 11                  (x) Analog to digital conversion.
- 12                  (xi) High definition up-converters.
- 13                  (xii) High definition bypass switcher.
- 14                  (xiii) Down converters for standard definition.
- 15                  (xiv) Advanced TV transmitter (STL transmitter).
- 16                  (xv) Advanced TV signal encoder.
- 17                  (xvi) DTV transmission monitoring.
- 18                  (xvii) High definition digital video switcher and DVE.
- 19                  (xviii) High definition studio cameras.
- 20                  (xix) High definition graphics/graphic generator.
- 21                  (xx) High definition video monitoring.
- 22                  (xxi) Conversion gear.
- 23                  (xxii) High definition recorder/players, including tape, disk, etc.
- 24                  (xxiii) High definition video/audio signal router.
- 25                  (xxiv) High definition video/audio media server.
- 26                  (xxv) MPEG or HDTV digital receivers for program content.
- 27                  (xxvi) High definition recorder/players, including tape, disk, etc.
- 28                  (xxvii) High definition video/audio media server and workstations.
- 29                  (xxviii) Digital EAS encoder/decoder.

- 1                    (xxix) High definition camcorder, including tape, disk, etc.
- 2                    (xxx) Advanced TV transmitters, including microwave.
- 3                    (b) "Digital radio conversion equipment" shall include the following:
- 4                    (i) IBOC transmitter.
- 5                    (ii) IBOC main channel and IBOC combiner.
- 6                    (iii) IBOC compatible antenna.
- 7                    (iv) Tower.
- 8                    (v) IBOC coaxial bypass switcher.
- 9                    (vi) Digital STL.
- 10                   (vii) STL heliix transmission line.
- 11                   (viii) STL antenna.
- 12                   (ix) Digital console.
- 13                   (x) EAS insertion.
- 14                   (xi) AES EBU conversion equipment.
- 15                   (xii) IBOL transmission testing and monitoring equipment.
- 16                   (xiii) Digital processor.

\* \* \*

I.(1) A political subdivision may provide for a sales and use tax exclusion as provided for in R.S. 47:301(3)(i), (13)(k), or (28), or any combination of these or all of them as they were in effect prior to January 1, 2027, for the sales, cost, or lease and rental price of manufacturing machinery and equipment, either effective upon adoption or enactment or phased in over a period of time, or effective for a certain period of time or duration, all as set forth in the instrument, resolution, vote, or other affirmative action providing the exclusion.

\* \* \*

M. A political subdivision may by ordinance or resolution provide that sales and use tax imposed by the political subdivision shall not apply to storm shutter devices ~~as defined in R.S. 47:301(10)(ee)~~. As used in this Subsection, "storm shutter



1 device" means materials and products manufactured, rated and marketed specifically  
2 for the purposes of preventing window damage from storms.

3 N. ~~As provided for in R.S. 47:305.20(G)(2), the governing authority of any~~  
4 ~~parish, school board, municipality, or other local taxing authority may, by ordinance~~  
5 ~~or resolution grant the exemption provided for in R.S. 47:305.20. In addition, such~~  
6 ~~taxing authority may authorize refunds of any tax paid prior to the effective date of~~  
7 ~~such ordinance or resolution on transactions exempted by that Section. (1) A~~  
8 Louisiana resident, domiciled in Louisiana, who possesses such valid Louisiana  
9 commercial fishing license(s) as may be necessary for commercial fishing ventures,  
10 including but not limited to a vessel license issued pursuant to R.S. 56:304, and who  
11 is an owner of a vessel operated primarily for the conduct of commercial fishing as  
12 a trade or business and which the Louisiana Department of Wildlife and Fisheries  
13 determines will be predominantly and principally used for commercial fishing  
14 ventures and whose catch is for human consumption shall be exempt from political  
15 subdivision sales, use, lease, and services taxes as set forth in Paragraph (3) of this  
16 Subsection. Possession of a commercial fishing license issued by the Department  
17 of Wildlife and Fisheries shall not be used as the sole determination that a vessel will  
18 be used predominantly and principally for commercial fishing ventures. This  
19 exemption shall also apply to facilities which process the catch from owners of  
20 commercial fishing vessels for which this exemption is granted when such vessels  
21 are owned by, or leased or contracted exclusively to, the seafood processing facility.

22 (2)(a) The Department of Revenue, after consulting with the Department of  
23 Wildlife and Fisheries, shall immediately issue rules and regulations for the  
24 enforcement of these provisions. Through its agents, it shall issue a certificate of  
25 exemption to those who have demonstrated their qualification under the provisions  
26 of this Subsection. Except as provided in Subparagraph (b) of this Paragraph, no  
27 such certificate shall be issued to any person who does not present to the department  
28 a notarized statement that he derives or intends to derive his primary source of  
29 income, which means not less than fifty percent, from commercial fishing.

1           (b) In lieu of a notarized statement, a person acting on his own behalf, with  
2           sufficient personal identification and documentation, may execute a signed statement  
3           before an authorized employee of the Department of Revenue.

4           (c) A separate certificate of exemption shall be issued for each vessel which  
5           the applicant has demonstrated, to the satisfaction of the department, will be used  
6           principally and predominantly for commercial fishing ventures. The certificate shall  
7           identify the vessel to which the exemption shall be applicable. This certificate shall  
8           be made available without charge to qualified applicants. Such certificates are not  
9           transferable and shall be presented in order to obtain the exemption.

10           (3) An owner who has obtained a certificate of exemption shall, with respect  
11           to the vessel identified in the certificate for the harvesting or production of fish and  
12           other aquatic life, including shrimp, oysters, and clams, and certain seafood  
13           processing facilities described in Paragraph (1), be exempt from the taxes described  
14           in Paragraph (1), as follows:

15           (a) Taxes applied to the materials and supplies necessary for repairs to the  
16           vessel or facility if they are purchased by the owner and later become a component  
17           part of the vessel or facility.

18           (b) Taxes applied to materials and supplies purchased by the owner of the  
19           vessel or facility where such materials and supplies are loaded upon the vessel or  
20           delivered to the facility for use or consumption in the maintenance and operation  
21           thereof for commercial fishing and processing ventures. For purposes of this  
22           Subparagraph, it shall make no difference whether the vessel is engaged in interstate,  
23           foreign, or intrastate commerce.

24           (c) Taxes applied to repair services performed upon the vessel or facility.  
25           For the purposes of this Subparagraph, it shall make no difference whether the vessel  
26           is engaged in intrastate, interstate, or foreign commerce.

27           (d) Taxes applied to the purchase of gasoline, diesel fuel, and lubricants for  
28           the vessel and to sources of energy and fuels for the facility.

1           (4) Any person who would otherwise be entitled to a certificate of  
2           exemption, shall be exempt from all political subdivision taxes applied to the  
3           purchase of any vessel which the Department of Revenue determines, under its rules  
4           and regulations, will be used principally and predominantly for commercial fishing  
5           ventures. This determination may be made prior to the sale by the department at  
6           which time it shall issue to the applicant a certificate of exemption. Where  
7           application is made prior to the purchase, the burden shall be on the applicant to  
8           demonstrate that the vessel will be used principally and predominantly for  
9           commercial fishing ventures. If application for a certificate of exemption is made  
10           after purchase, a certificate of exemption shall issue and the Department of Revenue  
11           shall give a rebate, out of funds made available therefor, for all taxes paid; but this  
12           shall take place only where the applicant has demonstrated his and the vessel's  
13           qualifications under this Subsection. This Paragraph shall be made applicable only  
14           to purchases made subsequent to September 12, 1975.

15           (5) When a commercial fisherman objects to a refusal of the Department of  
16           Revenue to issue a certificate under this Subsection, he may appeal such ruling to the  
17           Board of Tax Appeals, which may overrule the secretary and grant tax exempt status  
18           if there is a determination that the denial was arbitrary, capricious, or unreasonable.

19           (6) Any person who knowingly uses his certificate for a purpose other than  
20           that authorized in this Subsection, and any person who knowingly participates in the  
21           obtaining of or the misusing of the certificate, whether present or absent and whether  
22           they directly commit the act constituting this offense, aid and abet in its commission,  
23           or directly or indirectly counsel or procure another to commit the crime, shall be  
24           subject to a fine of not less than one hundred dollars per offense nor more than one  
25           thousand dollars per offense, and imprisonment without hard labor for not less than  
26           one day nor more than three months.

27           (7) The governing authority of any parish, school board, municipality, or  
28           other local taxing authority may by ordinance or resolution grant the exemption  
29           provided for in this Subsection. In addition, such taxing authority may authorize

1 refunds of any political subdivision tax paid prior to the effective date of such  
2 ordinance or resolution on transactions exempted by this Subsection.

3 \* \* \*

4 P. ~~As provided for in R.S. 47:337.10.2, a political subdivision may by~~  
5 ~~ordinance or resolution exempt purchases of feminine hygiene products, diapers, or~~  
6 ~~both for personal use from all or part of the sales and use tax levied by the political~~  
7 ~~subdivision: (1) Any political subdivision may by ordinance or resolution exempt~~  
8 purchases of feminine hygiene products, diapers, or both for individual personal use  
9 from all or part of the sales and use tax levied by the political subdivision.

10 (2) For purposes of this Subsection:

11 (a) "Diaper" means any absorbent diaper or undergarment used for  
12 incontinence in adults and any absorbent diaper or undergarment designed to be  
13 worn by a child who cannot yet control bladder or bowel movements.

14 (b) "Feminine hygiene product" means tampons, menstrual pads, sanitary  
15 napkins, panty liners, menstrual sponges, and menstrual cups, including disposable  
16 and washable versions of these items.

17 \* \* \*

18 §337.11. Other provisions applicable to local sales and use tax

19 In addition to the provisions of law applicable to the sales and use taxes of  
20 local taxing authorities as provided for in this Chapter, the following provisions  
21 outside this Chapter, and no others, shall be applicable to the sales and use taxes of  
22 local taxing authorities. ~~The use of the "key words" following the statutory citations~~  
23 ~~in this Subsection are illustrative only, and they are intended to aid in clarity and~~  
24 ~~ease of finding the law, and they are not intended to expand, contract, or otherwise~~  
25 ~~modify or change the intent of the cited provisions of law.~~

26 (1) ~~R.S. 4:168, "key words": horse racing.~~ The license fees, commissions,  
27 and taxes imposed in Part I of Chapter 4 of Title 4 of the Louisiana Revised Statutes  
28 of 1950, are in lieu of all other such licenses, sales, excise and occupation taxes to  
29 any parish, city, town, or other political subdivision.





1                    C. No tax credits may be granted pursuant to the provisions of this Section  
2                    on or after January 1, 2027.

3                    Section 8. R.S. 6:662, R.S. 12:302(K) and (L), R.S. 17:3095(A)(1)(b) and (c),  
4 3098(E), 3100.5(A)(1), and 3389, R.S. 25:1226 through 1226.6, R.S. 26:421, R.S. 47:8, 11,  
5 12, 33(A)(7), 34, 35, 37, 44, 49 through 51, 53 through 71, 79, 111(A)(11), 121, 158, 183,  
6 224(C), 226(C), 242, 246, 265, 287.71(B)(2) and (8), 287.73(C), 287.82, 287.86,  
7 287.501(B)(2), 287.521, 287.526, 287.664, 287.738(F) and (G), 287.743, 287.745, 287.748,  
8 287.749, 287.750, 287.752, 287.753, 287.755, 287.756, 287.758, 287.759, 293(2)(a), (3),  
9 (5), (7), (9)(a)(vi), (x), (xvii), and (xx), and (11), 297(A) through (D) and (H) through (P),  
10 297.1 through 297.4, 297.6 through 297.13, 297.15, 297.16, 297.18 through 297.22,  
11 300.6(B)(2)(b) and (d), 300.7 (C)(2), 301(3)(a) through (c), (e),(g) through (k), (4)(k), (6)(b)  
12 and (c), (7)(b) through (h) and (j) through (m), (8)(b) and (d) through (f), (10)(a), (b),  
13 (c)(i)(aa)(II) and (bb) and (ii), (d), (e), (h) through (s), (v), and (w) through (hh), (13)(a)  
14 through (c) and (e) through (m), (14)(b)(i)(bb), (ii) through (iv), (g)(iii) and (iv), (h), (j) and  
15 (k),(16)(c),(e) through (p), (18)(a), (c), (d)(ii) and (e) through (p), and (28), 301.1(B)(2) and  
16 (D), 302(D), 305(A)(1) through (C), (D)(1)(a) through (i), (k) through (m), (s), and (t), and  
17 (2) through (6), and (F) through (I), 305.1 through 305.9, 305.13 through 305.24, 305.26,  
18 305.28, 305.33, 305.36, 305.38, 305.40, 305.45, 305.47, 305.49 through 305.53, 305.57,  
19 305.59 through 305.61, 305.63, 305.65 through 305.71, 305.74, 337.9(C)(19) and (20) and  
20 (D)(28), 337.10.2, 602(C) through (H), 633(7)(b) through (d), (9)(b), (c), (d)(v), and (e),  
21 633.4, 633.5, 648.21, 713, 716.1, 818.14(A)(3), 855, 6003, 6005 through 6006.1, 6008  
22 through 6018, 6021 through 6023, 6025 through 6032, 6035, 6036, 6037, 6040 through  
23 6042, 6104 through 6107, and 6301 and R.S. 51:1801 through 1808, 2351 through 2356, and  
24 3081 through 3094 are hereby repealed in their entirety.

25                    Section 9. This Act shall become effective on January 1, 2027.

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**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)]

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HB 641 Original

2023 Regular Session

Bishop

**Abstract:** Terminates certain income, corporate franchise, severance, sales and use, severance, tobacco, petroleum product, and excise tax exemptions, exclusions, credits, deductions, reductions, and other tax incentives.

Present law provides for a tax to be assessed, levied, collected, and paid upon the taxable income of an individual at the following rates:

- (1) 1.85% on the first \$12,500 of net income.
- (2) 3.5% on the next \$37,500 of net income.
- (3) 4.25% on net income in excess of \$50,000.

Proposed law retains present law.

Present law provides for a tax to be assessed, levied, collected, and paid on the La. taxable income of an estate or trust at the following rates:

- (1) 1.85% on the first \$10,000 of La. taxable income.
- (2) 3.5% on the next \$40,000 of La. taxable income.
- (3) 4.25% on La. taxable income in excess of \$50,000.

Proposed law retains present law.

Present law requires that the tax to be assessed, levied, collected, and paid on the La. taxable income of every corporation to be computed at the following rates:

- (1) 3.5% on the first \$50,000 of La. taxable income.
- (2) 5.5% on La. taxable income above \$50,000 but not in excess of \$150,000.
- (3) 7.5% on La. taxable income above \$150,000.

Proposed law retains present law.

Present law levies the corporation franchise tax on a corporation when any of the following occurs:

- (1) An organization does business within this state in a corporate form.
- (2) A corporation exercises its charter or the continuance of its charter within La.
- (3) An entity owns or uses part or all of its capital, plant, or other property in La. in a corporate capacity.

Present law provides, beginning Jan. 1, 2023, that the rate of the tax shall be \$2.75 per \$1,000 of taxable capital above \$300,000.



Proposed law retains present law.

Present law imposes state sales and use taxes on the sale, use, lease, or rental of tangible personal property pursuant to the following levies in the following amounts:

R.S. 47:302 - 2%  
 R.S. 47:321 - 1%  
 R.S. 47:321.1 - .45%  
 R.S. 47:331 - .97%  
 R.S. 51:1286 - .03%

Present law provides for various income, corporate franchise, severance, sales and use, severance, tobacco, petroleum product, and excise tax incentives in the form of exemptions, exclusions, credits, deductions, reductions, and other tax incentives.

Proposed law repeals various income, corporate franchise, severance, sales and use, severance, tobacco, petroleum product, and excise tax incentives including the following nonexclusive list of tax incentives:

- (1) Tax exemption for credit unions. (R.S. 6:662)
- (2) Exemption for certain foreign corporations. (R.S. 12:302(K) and (L))
- (3) Exemption for deposits into certain education savings accounts. (R.S. 17:3095(A)(1)(b) and (c), 3098(E), 3100.5(A)(1) and R.S. 47:293(9)(a)(vi))
- (4) Exemption for university research and development parks. (R.S. 17:3389)
- (5) Tax exemptions and credits for the Atchafalaya Trace Heritage Area Development Zone. (R.S. 25:1226 through 1226.6)
- (6) Exemption for antiseptic, scientific, religious, and chemical uses of alcohol. (R.S. 26:421)
- (7) Exemption for state banking corporations and shareholders. (R.S. 47:8 and 121)
- (8) Tax credit for electric and natural gas service. (R.S. 47:11)
- (9) Credit for low-income housing. (R.S. 47:12)
- (10) Credit for taxes paid to other states. (R.S. 47:33(A)(7))
- (11) Credit for new jobs. (R.S. 47:34 and 287.749)
- (12) Credit for neighborhood assistance and job training. (R.S. 47:35 and 287.753)
- (13) Credit for contribution of tangible property of sophisticated and technological nature to educational institutions. (R.S. 47:37 and 287.755)
- (14) Exclusion for amounts received as annuities. (R.S. 47:44)
- (15) Exclusion for scholarships and grants. (R.S. 47:49)
- (16) Exclusion for war contract renegotiation payments. (R.S. 47:50)
- (17) Exclusion for governmental subsidies for operating public transportation systems. (R.S. 47:51 and 287.71(B)(2))

- (18) Exclusion of gross income from carriage on high seas. (R.S. 47:53)
- (19) Exemption for income attributable to the recovery of bad debts, prior taxes, and delinquency amounts. (R.S. 47:53.1)
- (20) Exclusion for income discharge of indebtedness. (R.S. 47:53.2)
- (21) Exclusion for amounts of purchase of annuities for certain employees. (R.S. 47:53.4)
- (22) Exclusion for compensation for disaster services.  
(R.S. 47:53.5, 111, 242, 287.71(B)(8), and 297(10))
- (23) Deduction for interest. (R.S. 47:54)
- (24) Deduction for taxes. (R.S. 47:55)
- (25) Deduction for taxes on shareholders paid by corporation. (R.S. 47:56)
- (26) Deduction for charitable and other contributions. (R.S. 47:57)
- (27) Deduction for bad debts. (R.S. 47:58)
- (28) Deduction for alimony payments. (R.S. 47:59)
- (29) Deduction for adaptive home improvements for disabled individuals. (R.S. 47:59.1)
- (30) Deduction for losses by individuals. (R.S. 47:60)
- (31) Deduction for casualty losses by individuals. (R.S. 47:60.1)
- (32) Deduction for losses by corporations (R.S. 47:61)
- (33) Deduction for business expenses. (R.S. 47:62)
- (34) Deduction for dividends received by corporations. (R.S. 47:63)
- (35) Deduction for income from pension trusts. (R.S. 47:64)
- (36) Deduction for income from depreciation. (R.S. 47:65)
- (37) Deduction for income from depletion. (R.S. 47:66)
- (38) Deduction for income from charges in case of oil and gas wells. (R.S. 47:67)
- (39) Deduction for optional standard deduction. (R.S. 47:68)
- (40) Deduction for losses from wagering and wash sales of stock or securities.  
(R.S. 47:71)
- (41) Exemption for dependents who are blind or aged 65 or older. (R.S. 47:79)
- (42) Deduction for percentage depletion. (R.S. 47:158(C) and 287.745)
- (43) Credit of estate or trust against net income. (R.S. 47:183)
- (44) Deduction for insurance companies other than life or mutual. (R.S. 47:224(C))
- (45) Deduction for mutual insurance companies other than life. (R.S. 47:226(C))

- (46) Deduction from net income from Louisiana sources. (R.S. 47:246 and 287.86)
- (47) Credit for certain refunds issued by utilities. (R.S. 47:265 and 287.664)
- (48) Deduction for I.R.C. Section 280E expense. (R.S. 47:287.73(C)(1))
- (49) Deduction for corporate add-back of certain intangible expenses. (R.S. 47:287.82)
- (50) Exemption for corporations which annually contribute all of its current net earnings to organizations organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. (R.S. 47:501(B)(2))
- (51) Exemption for farmers' cooperatives. (R.S. 47:287.521)
- (52) Exemption for shipowners' protection and indemnity associations. (R.S. 47: 287.526)
- (53) Deduction for interest income and dividend income. (R.S. 47:287.738(F))
- (54) Deduction for hurricane recovery entity benefits. (R.S. 47:287.738(G))
- (55) Deductions for income from charges in case of oil and gas wells. (R.S. 47:287.743)
- (56) Credit for hiring eligible re-entrants. (R.S. 47:287.748)
- (57) Credit for Louisiana Work Opportunity. (R.S. 47:287.750)
- (58) Credit for employment of certain first-time nonviolent offenders. (R.S. 47:297(O) and 287.752)
- (59) Credit for environmental equipment purchases. (R.S. 47:287.756)
- (60) Credit for bone marrow donor expense. (R.S. 47:287.758)
- (61) Credit for employee and dependent health insurance coverage. (R.S. 47:287.759)
- (62) Deduction for construction code retrofitting. (R.S. 47:293(2)(a))
- (63) Deduction for excess federal itemized deductions. (R.S. 47:293(3))
- (64) Deduction for hurricane recovery entity benefits. (R.S. 47:293(5))
- (65) Deductions for recreation volunteers and volunteer firefighters. (R.S. 47:293(7))
- (66) Deduction for temporary teachers. (R.S. 47:293(9)(a)(x))
- (67) Deduction for net capital gains. (R.S. 47:293(9)(a)(xvii))
- (68) Exclusion for digital nomads. (R.S. 47:293(9)(a)(xx) and 297.18)
- (69) Deduction for individuals previously employed as public school classroom teachers in certain parishes. (R.S. 47:293(11))
- (70) Credit for blind, deaf, or mentally incapacitated taxpayers of taxpayers who have lost the use of a limb. (R.S. 47:297(A))
- (71) Credit for a percentage of certain federal income tax credits. (R.S. 47:297(B))

- (72) Credit for gasoline and special fuels taxes for commercial fisherman. (R.S. 47:297(C))
- (73) Credit for each qualified dependent child who is in K-12th grade at least part of the year. (R.S. 47:297(D))
- (74) Credit for small-town health professionals. (R.S. 47:297(H) )
- (75) Credit for certain bone marrow donor expenses. (R.S. 47:297(I))
- (76) Credit for educational expenses incurred for degree related to law enforcement. (R.S. 47:297( J))
- (77) Credit for employment of certain first-time drug offenders. (R.S. 47:297(K))
- (78) Credit for purchase of bulletproof vests. (R.S. 47:297(L))
- (79) Credit for long-term care insurance premiums. (R.S. 47:297(M))
- (80) Credit for living organ donation. (R.S. 47:297(N))
- (81) Deduction for medical savings accounts. (R.S. 47:297.1)
- (82) Credit for taxpayer who maintains a household that includes a dependent physically or mentally incapable of caring for themselves. (R.S. 47:297.2)
- (83) Exclusion for S Bank income. (R.S. 47:297.3, 300.6(B)(2)(d), and 300.7 (C)(2)(c))
- (84) Credit for certain child care expenses. (R.S. 47:297.4)
- (85) Credit for rehabilitation of an owner occupied residential or mixed-use property. (R.S. 47:297.6)
- (86) Credit for property insurance. R.S. 47:297.7)
- (87) Earned income tax credit. (R.S. 47:297.8)
- (88) Credit for amounts paid by certain military servicemembers for obtaining La. hunting and fishing licenses. (R.S. 47:297.9)
- (89) Deduction for elementary and secondary school tuition. (R.S. 47:297.10)
- (90) Deduction for educational expenses for home-schooled children. (R.S. 47:297.11)
- (91) Deduction for fees and other educational expenses for a quality public education. (R.S. 47:297.12)
- (92) Deduction for employment of qualified disabled individuals. (R.S. 47:297.13)
- (93) Deduction for COVID-19 educational expenses. (R.S. 47:297.15)
- (94) Exemption for COVID-19 relief benefits. (R.S. 47:297.16)
- (95) Exemption for income earned by digital nomads. (R.S. 47:297.18)
- (96) Credit for taxpayers who have undergone delivery of a stillborn child. (R.S. 47:297.19)

- (97) Deduction for adoptions from foster care. (R.S. 47:297.20)
- (98) Deduction for the private adoption of certain infants. (R.S. 47:297.21)
- (99) Credit for pregnancy related death. (R.S. 47:297.22)
- (100) Deduction from income or depletion. (R.S. 47:300.6(B)(2)(b))
- (101) Deduction for the amount of the exclusion provided in present law (R.S. 47:297.3) for S Bank shareholders. (R.S. 47:300.6(B)(2)(d))
- (102) Sales tax exclusion for installation charges on tangible personal property. (R.S. 47:301(3)(a))
- (103) Sales tax exclusion for separately stated labor charges on property repaired out-of-state. (R.S. 47:301(3)(b))
- (104) Sales tax exclusion for installation of board roads to oilfield operators. (R.S. 47:301(3)(c))
- (105) Sales tax exclusion for manufacturers rebates provided to consumers on new motor vehicles (R.S. 47:301(3)(e) and (13)(b))
- (106) Sales tax exclusion for manufacturers rebates paid directly to a dealer. (R.S. 47:301(3)(g) and (13)(e))
- (107) Cost price of news publications distributed at no cost to readers. (R.S. 47:301(3)(h))
- (108) Sales tax exclusion for purchases of manufacturing machinery and equipment. (R.S. 47:301(3)(i), (13)(k), and (28)(a))
- (109) Sales tax exclusion for purchases of electric power and natural gas by paper or wood products manufacturing facilities. (R.S. 47:301(3)(j) and (13)(m))
- (110) Sales tax exclusion for tangible personal property consumed in the manufacturing process and repairs and maintenance of manufacturing machinery and equipment. (R.S. 47:301(3)(k))
- (111) Sales tax exemption for sale or lease of piggyback trailers or containers and rolling stock. (R.S. 47:301(4)(k))
- (112) Sales tax exclusion for certain room rentals at camp and retreat facilities owned and operated by tax-exempt nonprofit organizations. (R.S. 47:301(6)(b))
- (113) Sales tax exclusion for lodging charges at certain homeless shelters. (R.S. 47:301(6)(c))
- (114) Sales tax exclusion for rental and lease of certain oilfield equipment to be re-leased or re-re-rented. (R.S. 47:301(7)(b))
- (115) Sales tax exclusion for rentals, leases, and sales of services involved in construction or overhaul of U.S. Navy vessels. (R.S. 47:301(7)(c) and (14)(h))
- (116) Sales tax exclusion for commuter airlines for airplanes and airplane equipment. (R.S. 47:301(7)(d) and (10)(k))
- (117) Sales tax exclusion for purchases, leases, and sales by hospitals that provide free care. (R.S. 47:301(7)(e), (10)(p), and (18)(c))

- (118) Sales tax exclusion for certain educational materials and equipment used for classroom instruction. (R.S. 47:301(7)(f), (10)(q), and (18)(e))
- (119) Sales tax exclusion for sales and rentals to Boys State of La., Inc. and Girls State of La., Inc. (R.S. 47:301(7)(g), (10)(r), and (18)(f))
- (120) Sales tax exclusion for vehicle rentals for re-rent to warranty customers. (R.S. 47:301(7)(h))
- (121) Sales tax exclusion for property used in the manufacture, production, or extraction of unblended diesel. (R.S. 47:301(7)(j), (10)(y), and (18)(k))
- (122) Sales tax exclusion for lease or rental of certain cranes and related equipment. (R.S. 47:301(7)(k))
- (123) Sales tax exclusion for lease or rental of pallets used to package products produced by the manufacturer. (R.S. 47:301(7)(l))
- (124) Sales tax exclusion for certain leases and rentals by qualifying short-term equipment rental dealers. (R.S. 47:301(7)(m))
- (125) Sales tax exclusion for purchases by regionally accredited independent educational institutions. (R.S. 47:301(8)(b))
- (126) Sales tax exclusion for purchases by certain religious institutions of bibles, songbooks, and literature used for religious instruction classes. (R.S. 47:301(8)(d))
- (127) Sales tax exclusion for purchases by the Society of the Little Sisters of the Poor. (R.S. 47:301(8)(e))
- (128) Sales tax exclusion for purchases by nonprofit entities that sell donated goods. (R.S. 47:301(8)(f))
- (129) Sales tax exclusion for purchase of automobiles for lease or rental. (R.S. 47:301(10)(a)(i) and 305.36)
- (130) Sales tax exclusion for purchases of property for lease or rental. (R.S. 47:301(10)(a)(iii) and (18)(a)(iii))
- (131) Sales tax exclusion for purchases made in connection with filming or production in connection with La. Motion Picture Incentive Act. (R.S. 47:301(10)(a)(vi))
- (132) Sales tax exclusion for sales of tangible personal property through vending machines. (R.S. 47:301(10)(b))
- (133) Sales tax exclusion for purchase of raw materials for certain production of raw or processed agricultural, silvicultural, or aquacultural products. (R.S. 47:301(10)(c)(i)(aa)(II))
- (134) Sales tax exclusion for purchases of natural gas used to manufacture iron using a certain process. (R.S. 47:301(10)(c)(i)(bb))
- (135) Sales tax exclusion for purchases of electricity used in the chlor-alkali manufacturing process. (R.S. 47:301(10)(c)(ii)(aa))
- (136) Sales tax exclusion for isolated or occasional sale of tangible personal property by a person not engaged in such business. (R.S. 47:301(10)(c)(ii)(bb))

(137) Sales tax exclusion for sales of human tissue that is transplanted from one individual to another. (R.S. 47:301(10)(d))

(138) Sales tax exclusion for sale of raw agricultural products sold for further production of crops or animals for market. (R.S. 47:301(10)(e) and 305(A)(4)(b)(i) and (iii))

Present law imposes a tax on natural resources severed from the soil or water based upon quantity or value of the products or resources severed.

Present law provides oil and condensate shall be taxed at a rate of 12.5% of its value at the time and place of severance.

Present law provides oil produced from an incapable well shall be taxed at a reduced rate equal to one half of the present rate for oil established in present law (R.S. 47:633(a)) which equates to 6.25% of its value at the time and place of severance.

Proposed law repeals present law.

Present law provides oil produced from a stripper well shall be taxed at a reduced rate equal to one quarter of the present rate for oil established in present law (R.S. 47:633(a)) which equates to 3.125% of its value at the time and place of severance.

Proposed law repeals present law.

Present law provides oil produced from an inactive well shall be taxed at a reduced rate equal to one half of the present rate for oil established in present law (R.S. 47:633(a)) which equates to 6.25% of its value at the time and place of severance.

Proposed law repeals present law.

Present law provides oil produced from an orphan well shall be taxed at a reduced rate equal to one half of the present rate for oil established in present law (R.S. 47:633(a)) which equates to 6.25% of its value at the time and place of severance.

Proposed law repeals present law.

Present law provides for certain severance tax suspensions on horizontally drilled wells, certain inactive wells, and certain deep wells.

Proposed law repeals present law.

Present law provides the definition of value, for purposes of calculating severance tax, as the higher of (1) gross receipts received from the first purchases, less charges for trucking, barging, and pipeline fees, or (2) the posted field price.

Effective January 1, 2027.

(Amends R.S. 3:84 and 147, R.S. 4:168 and 227, R.S. 22:2065, R.S. 33:4169(D), R.S. 47:182, 223, 301(1), (16)(a) and (b), 302.1(A), 337.6, 337.9(A), (B), (C), and (D), 337.10(A)(intro. para.), (E), (G), (I)(1), (M), (N), and (P), 337.11(intro. para.), (1), (2), and (12), 337.15(B)(2), 6001(A), 6033(G), and 9052(E); Adds R.S. 39:467(I) and 468(I), R.S. 47:305.25(D), 305.37(C), 305.54(H), 305.58(G), 305.62(G), 3204(M), and 4302(E), and R.S. 51:2399.3(C); Repeals R.S. 6:662, R.S. 12:302(K) and (L), R.S. 17:3095(A)(1)(b) and (c), 3098(E), 3100.5(A)(1), and 3389, R.S. 25:1226 - 1226.6, R.S. 26:421, R.S. 47:8, 11, 12, 33(A)(7), 34, 35, 37, 44, 49 - 51, 53 - 71, 79, 111(A)(11), 121, 158, 183, 224(C), 226(C), 242, 246, 265, 287.71(B)(2) and (8), 287.73(C), 287.82, 287.86, 287.501(B)(2), 287.521, 287.526, 287.664, 287.738(F) and (G), 287.743, 287.745, 287.748, 287.749, 287.750, 287.752, 287.753, 287.755, 287.756, 287.758, 287.759, 293(2)(a), (3), (5), (7), (9)(a)(vi),

(x), (xvii), and (xx), and (11), 297(A) - (D) and (H) - (P), 297.1 - 297.4, 297.6 - 297.13, 297.15, 297.16, 297.18 - 297.22, 300.6(B)(2)(b) and (d), 300.7 (C)(2), 301(3)(a) - (c), (e), (g) - (k), (4)(k), (6)(b) and (c), (7)(b) - (h) and (j) - (m), (8)(b) and (d) - (f), (10)(a), (b), (c)(i)(aa)(II) and (bb) and (ii), (d), (e), (h) - (s), (v), and (w) - (hh), (13)(a) - (c) and (e) - (m), (14)(b)(i)(bb), (ii) - (iv), (g)(iii) and (iv), (h), (j) and (k), (16)(c), (e) - (p), (18)(a), (c), (d)(ii) and (e) - (p), and (28), 301.1(B)(2) and (D), 302(D), 305(A)(1) - (C), (D)(1)(a) - (i), (k) - (m), (s), and (t), and (2) - (6), and (F) - (I), 305.1 - 305.9, 305.13 - 305.24, 305.26, 305.28, 305.33, 305.36, 305.38, 305.40, 305.45, 305.47, 305.49 - 305.53, 305.57, 305.59 - 305.61, 305.63, 305.65 - 305.71, 305.74, 337.9(C)(19) and (20) and (D)(28), 337.10.2, 602(C) - (H), 633(7)(b) - (d), (9)(b), (c), (d)(v), and (e), 633.4, 633.5, 648.21, 713, 716.1, 818.14(A)(3), 855, 6003, 6005 - 6006.1, 6008 - 6018, 6021 - 6023, 6025 - 6032, 6035, 6036, 6037, 6040 - 6042, 6104 - 6107, and 6301 and R.S. 51:1801 - 1808, 2351 - 2356, and 3081 - 3094)