

Regular Session, 2012

HOUSE BILL NO. 934

BY REPRESENTATIVES LIGI, ADAMS, ARNOLD, BADON, BILLIOT, WESLEY BISHOP, BROSSETT, CONNICK, LEGER, LEOPOLD, LOPINTO, LORUSSO, TALBOT, AND WILLMOTT AND SENATORS ALARIO, APPEL, MARTINY, AND MORRELL

1 AN ACT

2 To enact R.S. 47:551.1, relative to special districts; to authorize the establishment of an  
3 automobile rental tax district in the parishes of Jefferson and Orleans; to provide for  
4 the boundaries, governance, and powers of the district; to authorize the levy of a tax  
5 on the lease or rental of certain automobiles under certain circumstances; to provide  
6 for the use of the avails of the tax; to provide for an effective date; and to provide for  
7 related matters.

8 Notice of intention to introduce this Act has been published  
9 as provided by Article III, Section 13 of the Constitution of  
10 Louisiana.

11 Be it enacted by the Legislature of Louisiana:

12 Section 1. R.S. 47:551.1 is hereby enacted to read as follows:

13 §551.1. Automobile rental tax district; parishes of Jefferson and Orleans

14 A.(1) The governing authorities of the parishes of Jefferson and Orleans may  
15 each create, by ordinance, an automobile rental tax district, referred to in this Section  
16 as the "district". The district shall be a political subdivision of the state as defined  
17 in the Constitution of Louisiana.

18 (2) The boundaries of the district shall be coterminous with the boundaries  
19 of the parish creating the district.

20 (3) The parish governing authority creating the district shall be the governing  
21 authority of the district.

22 B.(1)(a) The district is authorized to levy an automobile rental tax, not to  
23 exceed three percent of the gross proceeds derived from the lease or rental of an

1 automobile pursuant to an automobile rental contract, less any sales and use tax  
 2 included in such contract. The tax shall be in addition to any tax, fee, or license  
 3 imposed directly or indirectly.

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

10 (c) The tax shall not apply to any automobile rented by an insurance  
 11 company as a replacement vehicle for a policyholder or by an automobile dealer as  
 12 a replacement vehicle while a customer's vehicle is being serviced or repaired, nor  
 13 shall the tax apply to any individual or business who rents a vehicle as a replacement  
 14 vehicle while his vehicle is being repaired if the individual presents to the renter  
 15 upon return of the rented vehicle a copy of the repair or service invoice.

16 (2) For purposes of this Section "automobile rental contract" shall mean all  
 17 agreements for the rental of an automobile without a driver designated to carry less  
 18 than nine passengers for a period of not more than twenty-nine calendar days. Rental  
 19 agreements for a period of more than twenty-nine calendar days shall not be subject  
 20 to the tax, unless the actual period of the rental agreement is less than twenty-nine  
 21 days as a result of the exercise of a cancellation clause.

22 C.(1) The avails of the total taxes collected in Jefferson Parish shall be  
 23 distributed as follows:

24 (a) One-third of the total taxes shall be distributed to the city of Kenner for  
 25 arts and recreation.

26 (b) Two-thirds of the total taxes collected shall be disbursed as follows:

27 (i) Four-twelfths to the Westwego Performing Arts Center.

28 (ii) Three-twelfths to the Jefferson Performing Arts Society for programs on  
 29 the east and west bank.

30 (iii) Two-twelfths to the Gretna Cultural Center for the Arts.

1                    (iv) All remaining monies shall be deposited into a dedicated funding  
2                    account to be used exclusively for the operation, administration, and maintenance of  
3                    cultural facilities in unincorporated areas of Jefferson Parish.

4                    (2) The avails of the tax in Orleans Parish shall be used for road repairs and  
5                    beautification projects.

6                    D. The parish governing authority creating the district shall prescribe in the  
7                    ordinance creating the district any other purposes of the district. The parish that  
8                    created the district and the district may enter into a cooperative endeavor agreement  
9                    providing for cooperative efforts to exercise any authorized governmental function  
10                   of the parish.

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

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE

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GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_