

SENATE BILL NO. 351

BY SENATOR MURRAY

1 AN ACT

2 To enact R.S. 47:551.1, relative to local taxes; to authorize the parishes of Calcasieu,
3 Jefferson, and Orleans to establish an automobile rental tax district which shall be
4 authorized to levy a local tax on the gross proceeds derived from the lease or rental
5 of an automobile pursuant to an automobile rental contract; to require approval of the
6 electorate of the district; to provide for the boundaries, governance, and powers of
7 such districts; to provide for the use of the avails of the tax; and to provide for related
8 matters.

9 Notice of intention to introduce this Act has been published.

10 Be it enacted by the Legislature of Louisiana:

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

12 **§551.1. Automobile rental tax district; parishes of Calcasieu, Jefferson, and**
13 **Orleans**

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

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

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

22 **B.(1)(a) The district is authorized to levy, beginning July 1, 2012, an**
23 **automobile rental tax not to exceed three percent of the gross proceeds derived**
24 **from the lease or rental of an automobile pursuant to an automobile rental**
25 **contract, less any sales and use tax included in such contract. The tax shall be**
26 **in addition to any tax, fee, or license imposed directly or indirectly.**

27 **(b) The tax shall be levied only after the question of its levy has been**

1 approved by a majority of the registered voters of the district who vote on the
2 proposition authorizing the tax at an election held for that purpose in
3 accordance with the Louisiana Election Code. The election on the question of
4 the levy of the tax shall be held at the same time as a regularly scheduled
5 election in the parish creating the district.

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

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

20 C.(1) The avails of the tax in Jefferson Parish shall be distributed as
21 follows:

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

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

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

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

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

29 (iv) All remaining monies shall be deposited into a dedicated funding
30 account to be used exclusively for the operation, administration, and

1 maintenance of cultural facilities in unincorporated areas of Jefferson Parish.

2 (2) The avails of the tax in Orleans Parish shall be used for road repairs,
3 beautification projects, and to the Orleans Parish Council on Aging to be used
4 for Senior Centers.

5 (3) The avails of the tax in the parish of Calcasieu shall be distributed
6 as follows:

7 (a) One-sixth of the avails shall be distributed to political subdivisions
8 in the parish as provided in R.S. 47:551(D)(2).

9 (b) Five-sixth of the avails shall be distributed to Airport District No. 1
10 of Calcasieu Parish for the maintenance and operation of the Lake Charles
11 Regional Airport.

12 D. The parish governing authority creating the district shall prescribe
13 in the ordinance creating the district any other purposes of the district. The
14 parish that created the district and the district may enter into a cooperative
15 endeavor agreement providing for cooperative efforts to exercise any authorized
16 governmental function of the parish.

17 Section 2. This Act shall become effective upon signature by the governor or, if not
18 signed by the governor, upon expiration of the time for bills to become law without signature
19 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
20 vetoed by the governor and subsequently approved by the legislature, this Act shall become
21 effective on the day following such approval.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____