

Regular Session, 2013

SENATE BILL NO. 78

BY SENATOR MARTINY

TAX/SALES. Provides for certain tax authorities to grant an exclusion from sales tax for repairs to certain property which is delivered out of state. (7/1/13)

1 AN ACT

2 To amend and reenact R.S. 47:301(14)(g)(i)(bb) and 337.10(F), relative to sales and use tax;
3 to provide for an exclusion from the sales and use tax of the state and of political
4 subdivisions which is levied upon certain sales of services; and to provide for related
5 matters.

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

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 47:301(14)(g)(i)(bb) and 337.10(F) are hereby amended and
9 reenacted to read as follows:

10 §301. Definitions

11 As used in this Chapter the following words, terms, and phrases have the
12 meaning ascribed to them in this Section, unless the context clearly indicates a
13 different meaning:

14 * * *

15 (14) "Sales of services" means and includes the following:

16 * * *

17 (g)(i)(aa)

* * *

(bb) For purposes of the sales and use tax levied by the state and by tax authorities in East Feliciana Parish, charges for the furnishing of repairs to tangible personal property ~~may~~ **shall** be excluded from sales of services, as defined in this Subparagraph, when the repaired property is **(1) delivered to the customer in another state either by common carrier or the repair dealer's own vehicle a common carrier or to the United States Post Office for transportation outside the state, or (2) delivered outside the state by use of the repair dealer's own vehicle or by use of an independent trucker;** However, as to aircraft, delivery may be by the best available means. This exclusion shall not apply to sales and use taxes levied by any other parish, municipality ~~or~~, school board, **or any other tax authority other than a political subdivision in East Feliciana Parish**. However, any such other parish, municipality ~~or~~, school board, **or other tax authority** may apply the exclusion as defined in this Subparagraph to sales or use taxes levied by ~~any such parish, municipality, or school board~~ **them**. Offshore areas shall not be considered another state for the purpose of this Subparagraph.

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§337.10. Optional exclusions and exemptions

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F. As provided for in R.S. 47:301(14)(g)(i)(**bb**), any political subdivision, **other than a tax authority in East Feliciana Parish to which the exclusion already applies**, may apply the exclusion as defined in R.S. 47:301(14)(g)(i)(**bb**) to sales or use taxes levied by any such political subdivision, so that a charge for the furnishing of repairs to tangible personal property **shall** be excluded from sales of services, as defined in R.S. 47:301(14)(g)(i), when the repaired property is **(1) delivered to the customer in another state either by common carrier or the repair dealer's own vehicle a common carrier or to the United States Post Office for transportation outside the state, or (2) delivered outside the state by use of the repair dealer's own vehicle or by use of an independent trucker;** However, as

1 to aircraft, delivery may be by the best available means. Offshore areas shall not be
2 considered another state for the purpose of this Subsection and R.S. 47:301(14)(g)(i).

3 * * *

4 Section 2. This Act shall become effective on July 1, 2013; if vetoed by the governor
5 and subsequently approved by the legislature, this Act shall become effective on July 1,
6 2013, or on the day following such approval by the legislature, whichever is later.

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

DIGEST

Present law provides an exclusion against state sales tax and sales tax levied by tax authorities in East Feliciana Parish for charges for the furnishing of repairs to tangible personal property when the repaired property is delivered to the customer in another state either by common carrier or the repair dealer's own vehicle. However, as to aircraft, the delivery may be by the best available means.

Offshore areas are not considered another state for the purpose of present law.

Present law provides that the exclusion does not apply to sales and use taxes levied by any "other" parish, municipality or school board, but authorizes any "other" parish, municipality or school board to apply the exclusion as defined in the present law to their sales taxes.

Proposed law specifies that the option to exclude such repairs to out-of-state property is not available to tax authorities in East Feliciana.

Proposed law authorizes other tax authorities besides parishes, municipalities and school boards to exclude such repairs.

Proposed law specifically includes in the tax exclusion repairs to property (1) delivered to the United States Post Office for transportation outside the state and (2) delivered outside the state by use of an independent trucker.

Effective July 1, 2013.

(Amends R.S. 47:301(14)(g)(i)(bb) and R.S. 47:337.10(F))