

Regular Session, 2013

SENATE BILL NO. 80

BY SENATOR MARTINY

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

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AN ACT

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

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:301(14)(g)(i)(bb) is hereby amended and reenacted to read as follows:

§301. Definitions

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

\* \* \*

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

\* \* \*

(g)(i)(aa)

\* \* \*

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

15 \* \* \*

16 Section 2. R.S. 47:337.10(F) is hereby repealed.

17 Section 3. This Act shall become effective on July 1, 2013; if vetoed by the governor  
 18 and subsequently approved by the legislature, this Act shall become effective on July 1,  
 19 2013, or on the day following such approval by the legislature, whichever is later.

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

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#### 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 taxes levied by any "other" parish, municipality or school board, but authorizes any "other" parish, municipality or school board to apply the exclusion to their sales taxes.

Proposed law removes the option to exclude such repairs to out-of-state property and expands the exclusion to all local sales taxes, not just East Feliciana's.

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 repeals R.S. 47:337.10(F))