

2020 Regular Session

SENATE BILL NO. 89

BY SENATOR PEACOCK

TAX/SALES. Phases in the dedication of the temporary state sales tax levy to the Transportation Trust Fund. (8/1/20)

1 AN ACT

2 To amend and reenact R.S. 47:321.1(G), relative to state sales and use tax; to phase-in a
3 dedication of the temporary state sales and use tax levy to the Transportation Trust
4 Fund; to provide for the use of the dedicated funds; and to provide for related
5 matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:321.1(G) is hereby amended and reenacted to read as follows:

8 §321.1. Imposition of tax

9 * * *

10 G. The (1) Except as otherwise provided in Paragraph (2) of this
11 Subsection, the avails of the tax collected under pursuant to this Section shall be
12 deposited immediately into the state treasury, and, after compliance with the
13 requirements of Article VII, Section 9(B) of the Constitution of Louisiana, the state
14 treasurer shall pay the remainder of the monies into the state general fund.

15 (2) Beginning July 1, 2021, the avails of the tax collected pursuant to this
16 Section shall be deposited immediately into the state treasury, and, after
17 compliance with the requirements of Article VII, Section 9(B) of the

1 **Constitution of Louisiana, the state treasurer shall deposit a portion of the**
2 **remainder of the monies to the Transportation Trust Fund as follows:**

3 **(a) Beginning July 1, 2021, through June 30, 2022, the avails of twelve of**
4 **the forty-five one hundredths of the tax.**

5 **(b) Beginning July 1, 2022, through June 30, 2023, the avails of**
6 **twenty-four of the forty-five one hundredths of the tax.**

7 **(c) Beginning July 1, 2023, through June 30, 2024, the avails of thirty-five**
8 **of the forty-five one hundredths of the tax.**

9 **(d) Beginning July 1, 2024, through June 30, 2025, the avails of forty-five**
10 **of the forty-five one hundredths of the tax.**

11 **(3) Monies deposited to the Transportation Trust Fund pursuant to**
12 **Paragraph (2) of this Subsection shall be appropriated and dedicated solely for**
13 **the direct costs associated with actual project delivery, construction, and**
14 **maintenance of roads and bridges in the state highway system. A minimum of**
15 **fifty percent of these monies shall be appropriated and dedicated equally for**
16 **projects in each of the nine highway districts.**

17 * * *

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

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Present law levies a temporary 0.45% state sales and use tax that will expire on June 30, 2025, that is deposited into the state general fund.

Proposed law retains the present law tax levy and expiration date.

Proposed law dedicates a portion of the avails of the temporary tax to the Construction Subfund of the Transportation Trust Fund (TTF) beginning July 1, 2021.

Proposed law increases the portion dedicated to the TTF each year for the life of the temporary tax such that by the last year of the tax 100% of the temporary tax is deposited into the TTF.

Proposed law provides that avails of the temporary sales tax dedicated to the TTF may be used only for project delivery, construction, and maintenance of roads and bridges in the state highway system.

Proposed law requires that a minimum of 50% of the temporary sales tax dedicated to the

TTF be allocated equally among the nine multi-parish highway districts.

Effective August 1, 2020.

(R.S. 47:321.1(G))