

2020 First Extraordinary Session

HOUSE BILL NO. 69

BY REPRESENTATIVE DESHOTEL

TAX/SALES-USE-EXEMPT: To provide for a sales and use tax exemption on the sales of certain fiber-optic cables (Item #31)

1 AN ACT

2 To enact R.S. 47:302(BB)(113), 305.75, 321(P)(114), 321.1(I)(114), and 331(V)(114),  
3 relative to sales and use tax exemptions; to provide for a sales and use tax exemption  
4 for certain fiber-optic cables; to provide for limitations and conditions; and to  
5 provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:302(BB)(113), 305.75, 321(P)(114), 321.1(I)(114), and  
8 331(V)(114) are hereby enacted to read as follows:

9 §302. Imposition of tax

10 \* \* \*

11 BB. Notwithstanding any other provision of law to the contrary, including  
12 but not limited to any contrary provisions of this Chapter, beginning July 1, 2018,  
13 through June 30, 2025, there shall be no exemptions and no exclusions to the tax  
14 levied pursuant to the provisions of this Section, except for the retail sale, use,  
15 consumption, distribution, or storage for use or consumption of the following:

16 \* \* \*

17 (113) Sales of fiber-optic cables to broadband internet service providers as  
18 provided in R.S. 47:305.75.

19 \* \* \*

1        §305.75 Exemptions; fiber-optic cables

2                The sales and use tax imposed by the state of Louisiana or any political  
3        subdivision shall not apply to the sale of fiber-optic cables when the fiber-optic  
4        cables are purchased by a broadband internet service provider and intended to be  
5        attached to a utility pole, building, or other structure or installed underground.

6    \*        \*        \*

7        §321. Imposition of tax

8    \*        \*        \*

9                P. Notwithstanding any other provision of law to the contrary, including but  
10        not limited to any contrary provisions of this Chapter, beginning July 1, 2018,  
11        through June 30, 2025, there shall be no exemptions and no exclusions to the tax  
12        levied pursuant to the provisions of this Section, except for the retail sale, use,  
13        consumption, distribution, or storage for use or consumption of the following:

14    \*        \*        \*

15                (114) Sales of fiber-optic cables to broadband internet service providers as  
16        provided in R.S. 47:305.75.

17    \*        \*        \*

18        §321.1. Imposition of tax

19    \*        \*        \*

20                I. Notwithstanding any other provision of law to the contrary, including but  
21        not limited to any contrary provisions of this Chapter, beginning July 1, 2018,  
22        through June 30, 2025, there shall be no exemptions and no exclusions to the tax  
23        levied pursuant to the provisions of this Section, except for the retail sale, use,  
24        consumption, distribution, or storage for use or consumption of the following:

25    \*        \*        \*

26                (114) Sales of fiber-optic cables to broadband internet service providers as  
27        provided in R.S. 47:305.75.

28    \*        \*        \*

1 §331. Imposition of tax  
2 \* \* \*

3 V. Notwithstanding any other provision of law to the contrary, including but  
4 not limited to any contrary provisions of this Chapter, beginning July 1, 2018,  
5 through June 30, 2025, there shall be no exemptions and no exclusions to the tax  
6 levied pursuant to the provisions of this Section, except for the retail sale, use,  
7 consumption, distribution, or storage for use or consumption of the following:

8 \* \* \*

9 (114) Sales of fiber-optic cables to broadband internet service providers as  
10 provided in R.S. 47:305.75.

11 \* \* \*

12 Section 2. This Act shall become effective on July 1, 2020.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 69 Original                      2020 First Extraordinary Session                      Deshotel

**Abstract:** Creates a state and local sales and use tax exemption on the sale of fiber-optic cables when the fiber-optic cables are purchased by a broadband internet service provider and intended to be attached to a utility pole, building, or other structure or installed underground and places the exemption on the exclusive list of current sales and use tax exemptions.

Present law imposes state sales and use taxes on the sale, use, lease, or rental of tangible personal property pursuant to the following levies in the following amounts:

- R.S. 47:302 - 2%
- R.S. 47:321 - 1%
- R.S. 47:321.1 - .45%
- R.S. 47:331 - .97%
- R.S. 51:1286 - .03%

Present law suspends numerous exemptions from the four levies of state sales and use tax (R.S. 47:302, 321, 321.1, and 331) through June 30, 2025.

Present law provides for an exclusive list of current effective sales and use tax exemptions.

Proposed law retains present law. Creates a state and local sales and use tax exemption on the sale of fiber-optic cables when the fiber-optic cables are purchased by a broadband internet service provider and intended to be attached to a utility pole, building, or other structure or installed underground.

Proposed law adds the exemption to the list of exemptions that are effective through June 30, 2025.

Effective July 1, 2020.

(Adds R.S. 47:302(BB)(113), 305.75, 321(P)(114), 321.1(I)(114), and 331(V)(114))