

2019 Regular Session

HOUSE BILL NO. 209

BY REPRESENTATIVES DAVIS, BAGLEY, CARMODY, CREWS, DWIGHT, GAROFALO, HILFERTY, MAGEE, MCFARLAND, MCMAHEN, MIGUEZ, MOSS, SEABAUGH, STEFANSKI, STOKES, AND ZERINGUE AND SENATORS BOUDREAUX, JOHNS, MARTINY, MORRISH, GARY SMITH, AND WHITE

TAX EXEMPTIONS: Authorizes a sales and use tax exemption for new automobiles, aircraft, boats, vessels or other water craft used as demonstrators

1 AN ACT

2 To amend and reenact R.S. 47:305(D)(1)(i) and to enact R.S. 47:302(BB)(110), 321(P)(111),

3 321.1(I)(111), and 331(V)(111), relative to sales and use tax; to provide for a sales

4 and use tax exemption for certain vehicles, aircraft, boats, and water craft used as

5 demonstrators; to provide for restrictions and limitations on the use of the vehicles,

6 aircraft, boats, and water craft; to provide for the effectiveness; and to provide for

7 related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 47:305(D)(1)(i) is hereby amended and reenacted and R.S.

10 47:302(BB)(110), 321(P)(111), 321.1(I)(111), and 331(V)(111) are hereby enacted to read

11 as follows:

12 §302. Imposition of tax

13 * * *

14 BB. Notwithstanding any other provision of law to the contrary, including

15 but not limited to any contrary provisions of this Chapter, beginning July 1, 2018,

16 through June 30, 2025, there shall be no exemptions and no exclusions to the tax

 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 209 Reengrossed

2019 Regular Session

Davis

Abstract: Provides for the effectiveness of the sales and use tax exemption for new trucks, new automobiles, new aircraft, and new boats, vessels, or other water craft withdrawn from stock used as demonstrators and extends the exemption to include vehicles kept in a dealer's inventory.

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Present law exempts new trucks, new automobiles, new aircraft, and new boats, vessels, or other water craft withdrawn from stock by factory-authorized dealers, and used trucks and used automobiles withdrawn from stock by new or used motor vehicle dealers for use as demonstrators from sales and use tax.

Proposed law retains present law but extends the exemption in present law to vehicles kept in a dealer's inventory in addition to those used as demonstrators.

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, including the exemption for new trucks, new automobiles, new aircraft, and new boats, vessels, or other water craft used as demonstrators.

Proposed law changes present law by adding the exemption for new trucks, new automobiles, new aircraft, and new boats, vessels, or other water craft withdrawn from stock or kept in a dealer's inventory used as demonstrators to the list of exemptions that are effective through June 30, 2025.

Effective July 1, 2019.

(Amends R.S. 47:305(D)(1)(i); Adds R.S. 47:302(BB)(110), 321(P)(111), 321.1(I)(111), and 331(V)(111))

Summary of Amendments Adopted by House

The House Floor Amendments to the engrossed bill:

1. Change the effective date from signature of the governor to July 1, 2019.