

GREEN SHEET REDIGEST

HB 209

2019 Regular Session

Davis

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

DIGEST

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Present law exempts new trucks, new automobiles, new aircraft, and new boats, vessels, or other water craft withdrawn from stock by factory-authorized dealers, and used trucks and used automobiles withdrawn from stock by new or used motor vehicle dealers for use as demonstrators from sales and use tax.

Proposed law retains present law exemption for vehicles, aircraft, and vessels withdrawn from stock and provides that the exemption in present law applies to aircraft, vessels, and vehicles, including motorcycles, kept in a dealer's inventory that are also 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 trucks, automobiles, aircraft, and boats, vessels, or other water craft used as demonstrators.

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the exemption for new and used trucks, automobiles, motorcycles, aircraft, and boats, vessels, or other water craft withdrawn from stock or kept in a dealer's inventory to be used as demonstrators to the list of exemptions that are effective through June 30, 2025.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

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the reengrossed bill

1. Add motorcycles to list of exempt demonstrators.
2. Make technical changes.