

HOUSE SUMMARY OF SENATE AMENDMENTS

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

Synopsis of Senate Amendments

1. Adds new motorcycles to the list of vehicles exempt from sales and use tax when they are withdrawn from stock or kept in a dealer's inventory for use as demonstrators.
2. Expands the exemption to include all trucks, automobiles, aircraft, boats, vessels or other vessels.
3. Makes technical changes.

Digest of Bill as Finally Passed by Senate

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Present law exempts trucks, automobiles, aircraft, boats, vessels, or other water craft withdrawn from stock by factory-authorized dealers, and used trucks and used automobiles withdrawn from stock by new or used motor vehicle dealers for use as demonstrators from sales and use tax.

Proposed law retains the present law exemption for vehicles, aircraft, boats, and vessels withdrawn from stock and provides that the exemption in present law also applies to aircraft, vessels, and vehicles, including motorcycles, kept in a dealer's inventory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law by adding the exemption for new and used trucks, automobiles, aircraft, and boats, vessels, or other water craft withdrawn from stock or kept in a dealer's inventory to be used as demonstrators to the list of exemptions that are effective through June 30, 2025.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