

Regular Session, 2009

SENATE BILL NO. 33

BY SENATOR CHAISSON

TAX EXEMPTIONS. Provides for sales and use tax exemption on purchases of utilities by certain businesses. (7/1/09)

1 AN ACT

2 To amend and reenact R.S. 47:305.51, relative to the sales tax exemption for purchases of  
3 utilities used by certain steelworks and blast furnaces; to change the business  
4 classification required for eligibility for the exemption from Standard Industrial  
5 Classification (SIC) Sector 3312 to North American Industry Classification System  
6 (NAICS) Sector 331111, as it existed in 2002; to provide relative to terms and  
7 definitions; to provide for an effective date; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 47:305.51 is hereby amended and reenacted to read as follows:

10 §305.51. Exemption; utilities used by steelworks and blast furnaces

11 A. The sales and use tax imposed by the state of Louisiana or any of its  
12 political subdivisions shall not apply to sales or purchases of utilities used by  
13 steelworks, ~~and~~ blast furnaces, **coke ovens, or rolling mills** with more than one  
14 hundred twenty-five full-time employees, ~~including coke ovens and rolling mills,~~  
15 which are classified by the **Louisiana Workforce Commission within Sector**  
16 **331111 of the North American Industry Classification System as it existed in**  
17 **2002.** ~~Louisiana Department of Labor as SIC 3312 of the Standard Industrial~~

1           ~~Classification Code:~~ However, this exemption shall not apply to utilities used in and  
2           around the production of coke in oil refineries and the use of coke in oil refineries  
3           and other chemical processes.

4                    **B. For purposes of this exemption, the term "utilities" shall mean sales**  
5                    **of steam, water, electric power or energy, and natural gas.**

6                    Section 2. This Act shall become effective on July 1, 2009.

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The original instrument and the following digest, which constitutes no part  
of the legislative instrument, were prepared by Angela Lockett De Jean.

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#### DIGEST

Present law provides a sales tax exemption on purchases of utilities by steelworks, blast furnaces, coke ovens, and rolling mills with more than 125 employees. To be eligible for the exemption, the business must be classified within Sector 3312 of the Standard Industrial Classification System.

Proposed law changes the business classification qualification for the exemption of utilities to Sector 331111 of the North American Industry Classification System.

Proposed law provides for the exemption of "utilities" defined as sales of steam, water, electric power or energy, and natural gas.

Effective July 1, 2009.

(Amends R.S. 47:305.51)