

Regular Session, 2009

SENATE BILL NO. 128

BY SENATOR MARTINY

TAX EXEMPTIONS. Provides for a tax exclusion for the resale of Mardi Gras beads and specialty items by organizations from state sales tax. (8/15/09)

1 AN ACT

2 To enact R.S. 47:301(10)(ff) and (18)(p), relative to the sales and use tax of the state; to
3 provide an exclusion for the resale of certain Mardi Gras items by certain nonprofit
4 organizations from such tax; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 47:301(10)(ff) and (18)(p) are hereby enacted to read as follows:

7 §301. Definitions

8 As used in this Chapter the following words, terms, and phrases have the
9 meaning ascribed to them in this Section, unless the context clearly indicates a
10 different meaning:

11 * * *

12 (10) * * *

13 **(ff)(i) Solely for purposes of sales and use tax imposed by the state, the**
14 **term "sale at retail" shall not include the resale of Mardi Gras beads and**
15 **specialty items by nonprofit organizations which are exempt from federal**
16 **income tax because they are an organization described in Section 501(c)(3) of**
17 **the Internal Revenue Code.**

1 **(ii) "Specialty items" for the purposes of this Subparagraph means those**
 2 **items for use in connection with Mardi Gras activities, including but not limited**
 3 **to doubloons, necklaces, bracelets, stuffed animals, cups, and coasters.**

4 **(iii) Nonprofit organizations shall obtain a certificate of authorization**
 5 **from the secretary of the Department of Revenue in order to claim an exclusion**
 6 **from the state sales and use tax. The secretary shall develop applications for**
 7 **such certificates. The certificates shall be issued without charge to the entities**
 8 **which qualify.**

9 * * *

10 (18) * * *

11 **(p) For purposes of sales and use tax imposed by the state, the term**
 12 **"use" shall not mean or include the purchase, importation, storage,**
 13 **distribution, or exercise of any right or power over Mardi Gras beads and**
 14 **specialty items as provided for in Subparagraph (10)(ff) of this Section.**

15 * * *

16 Section 2. This Act shall become effective on July 1, 2009; if vetoed by the governor
 17 and subsequently approved by the legislature, this Act shall become effective on July 1,
 18 2009, or on the day following such approval by the legislature, whichever is later.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Danielle Doiron.

DIGEST

Proposed law excludes nonprofit organizations described in Section 501(c)(3) of the Internal Revenue Code from state sales and use tax on the resale of Mardi Gras beads and specialty items.

Proposed law defines "specialty items" as items for use in connection with Mardi Gras activities including, but not limited to, doubloons, necklaces, bracelets, stuffed animals, cups, and coasters.

Effective July 1, 2009

(Adds R.S. 47:301(10)(ff) and (18)(p))