

SENATE SUMMARY OF HOUSE AMENDMENTS

SB 33 By Senator Chaisson

KEYWORD AND SUMMARY AS RETURNED TO THE SENATE

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

SUMMARY OF HOUSE AMENDMENTS TO THE SENATE BILL

1. Provides an exemption from state and local sales and use taxes for certain sales of items of tangible personal property by the Military Department. [Note: Appears to create a conflict between the amendment to the title of the bill which speaks of the exemption applying to "purchases by the Military Department" and the amendment in the proposed statutory change which speaks of the exemption applying to "sales by the Military Department".]

DIGEST OF THE SENATE BILL AS RETURNED TO THE SENATE

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.

Proposed law provides an exemption from state and local sales and use taxes by providing that the term "retail sale" or "sale at retail" shall not include sales of tangible personal property by the Military Department which occur on an installation or other property owned or operated by the Military Department.

Effective July 1, 2009.

(Amends R.S. 47:305.51)

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