

Proposed law would have exempted Hands on New Orleans and Rebuilding Together New Orleans covenant partners from state and local sales tax for the sale of construction materials located in this state when the materials are intended for use in constructing, rehabilitating, or renovating new residential dwellings in this state which were destroyed or damaged by Hurricane's Katrina or Rita.

Proposed law would have required that no more than \$500,000 of state and local exemptions shall be granted in any calendar year.

Proposed law would have required the secretary of the Department of Revenue to promulgate the rules and regulations.

Would have become effective July 1, 2009.

(Would have amended R.S. 47:305.59)

VETO MESSAGE: "Senate Bill No. 338 creates a sales tax exemption for materials purchased by Hands On New Orleans and Rebuilding Together New Orleans for use in construction, renovation, or rehabilitation of residential dwellings damaged or destroyed by Hurricane Katrina or Hurricane Rita. This same provision is included in House Bill No. 756.

For this reason, I have vetoed Senate Bill No. 338 and hereby return it to the Senate."