

Regular Session, 2013

SENATE BILL NO. 79

BY SENATOR MARTINY

TAX/SALES. Expands an exclusion from state and local sales tax for repairs to certain property which is delivered out of state. (7/1/13)

1 AN ACT

2 To amend and reenact R.S. 47:301(14)(g)(i)(bb) and 337.10(F), relative to sales and use tax;
3 to provide for an exclusion from the sales and use tax of the state and certain of its
4 political subdivisions which is levied upon certain sales of services; and to provide
5 for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:301(14)(g)(i)(bb) is hereby amended and reenacted to read as
8 follows:

9 §301. Definitions

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

13 * * *

14 (14) "Sales of services" means and includes the following:

15 * * *

16 (g)(i)(aa)

17 * * *

1 (bb) For purposes of the sales and use tax levied by the state and by tax
2 authorities in East Feliciana Parish, ~~Charges for the furnishing of repairs to tangible~~
3 personal property ~~may~~ **shall** be excluded from sales of services, as defined in this
4 Subparagraph, when the repaired property is (1) delivered to the customer in another
5 ~~state either by common carrier or the repair dealer's own vehicle~~ **a common carrier**
6 **or to the United States Postal Service for transportation outside the state, or (2)**
7 **delivered outside the state by use of the repair dealer's own vehicle or by use of**
8 **an independent trucker.** ~~h~~ However, as to aircraft, delivery may be by the best
9 available means. This exclusion shall ~~not~~ apply to sales and use taxes levied **by the**
10 **state and** ~~by any other parish, municipality or school board~~ **all political**
11 **subdivisions whose boundaries are coterminous with those of the state.** However,
12 any other parish, municipality or school board may apply the exclusion as defined
13 in this Subparagraph to sales or use taxes levied by any such parish, municipality, or
14 school board. **This exclusion shall not apply to sales and use tax levied by any**
15 **political subdivision whose boundaries are not coterminous with the state.**
16 **However, any political subdivision whose boundaries are not coterminous with**
17 **the state may apply the exclusion as defined in this Subparagraph to sales or use**
18 **taxes levied by them.** Offshore areas shall not be considered another state for the
19 purpose of this Subparagraph.

* * *

§337.10. Optional exclusions and exemptions

* * *

23 F. As provided for in R.S. 47:301(14)(g)(i), any political subdivision **whose**
24 **boundaries are not coterminous with those of the state** may apply the exclusion
25 as defined in R.S. 47:301(14)(g)(i) to sales or use taxes levied by any such political
26 subdivision, so that a charge for the furnishing of repairs to tangible personal
27 property may be excluded from sales of services, as defined in R.S. 47:301(14)(g)(i),
28 when the repaired property is (1) delivered to the customer in another state either by
29 ~~common carrier or the repair dealer's own vehicle~~ **a common carrier or to the**

1 **United States Postal Service for transportation outside the state, or (2) delivered**
 2 **outside the state by use of the repair dealer's own vehicle or by use of an**
 3 **independent trucker.** ~~h~~ However, as to aircraft, delivery may be by the best
 4 available means. Offshore areas shall not be considered another state for the purpose
 5 of this Subsection and R.S. 47:301(14)(g)(i).

* * *

7 Section 2. This Act shall become effective on July 1, 2013; if vetoed by the governor
 8 and subsequently approved by the legislature, this Act shall become effective on July 1,
 9 2013, 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 Riley Boudreaux.

DIGEST

Present law provides an exclusion against state sales tax and sales tax levied by tax authorities in East Feliciana Parish for charges for the furnishing of repairs to tangible personal property when the repaired property is delivered to the customer in another state either by common carrier or the repair dealer's own vehicle. However, as to aircraft, the delivery may be by the best available means.

Offshore areas are not considered another state for the purpose of present law.

Present law provides that the exclusion does not apply to sales taxes levied by any "other" parish, municipality or school board, but authorizes any "other" parish, municipality or school board to apply the exclusion to their sales taxes.

Proposed law specifies that the exclusion also applies to political subdivisions whose boundaries are coterminous with those of the state, but not to those whose boundaries are not coterminous, but authorizes them to apply it.

Proposed law specifically includes in the tax exclusion repairs to property (1) delivered to the United States Postal Service for transportation outside the state and (2) delivered outside the state by use of an independent trucker.

Effective July 1, 2013.

(Amends R.S. 47:301(14)(g)(i)(bb) and 337.10(F))