

2017 Regular Session

HOUSE BILL NO. 548

BY REPRESENTATIVE DANAHAHAY

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

TAX/SALES-USE, STATE: Establishes a rebate for state sales and use tax paid on certain industrial utilities

1 AN ACT

2 To enact R.S. 47:315.6, relative to the state sales and use tax; to provide a rebate for the state  
3 sales and use tax paid on industrial utilities; to provide for an effective date; and to  
4 provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 47:315.6 is hereby enacted to read as follows:

7 §315.6. Sales tax rebate; utilities used in the manufacturing process

8 A. A manufacturer who has been assigned a North American Industrial  
9 Classification System code within the manufacturing Sectors 31-33 by the Louisiana  
10 Workforce Commission and who has paid sales and use tax levied by the state upon  
11 the sale at retail, the use, the consumption, the distribution, and the storage to be used  
12 or consumed in the taxing jurisdiction upon sales of steam, water, electric power or  
13 energy, natural gas, and all energy sources used by the manufacturer in a plant  
14 facility predominately and directly in the actual manufacturing process of an item of  
15 tangible personal property, may receive a rebate of twenty-five percent of the state  
16 sales and use taxes paid on the sales or purchases of steam, water, electric power or  
17 energy, natural gas, or energy sources.

18 B. A properly completed rebate request shall be submitted to the Department  
19 of Revenue on forms prescribed by the secretary.

1           C. The Department of Revenue shall review the forms and issue a rebate  
2           within ninety days of the receipt of the properly submitted refund request.

3           D. For the purposes of this Section, the terms "plant facility",  
4           "manufacturing" and "used directly" shall have the same meaning as set forth in R.S.  
5           47:301(3)(i)(i), (13)(k) and (28)(a),

6           E. The secretary is authorized to prescribe forms and regulations for use in  
7           carrying out the provisions of this Section.

8           Section 2. This Act shall become effective on July 1, 2017; if vetoed by the governor  
9           and subsequently approved by the legislature, this Act shall become effective on July 1,  
10          2017, or on the day following such approval by the legislature, whichever is later.

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#### DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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HB 548 Original

2017 Regular Session

Danahay

**Abstract:** Establishes a rebate for the state sales and use tax paid on industrial utilities.

Present law levies a 4¢ state sales and use tax on purchases of steam, water, electric power, or energy, and natural gas by nonresidential consumers, also known as business utilities, and a 5¢ state sales and use tax on boiler fuel.

Proposed law establishes a rebate for the state sales and use taxes paid on utilities used in the manufacturing process by a manufacturer who has been assigned a North American Industrial Classification System code within the manufacturing Sectors 31-33 by the La. Workforce Commission.

Proposed law requires a properly completed rebate request to be submitted to the Department of Revenue on forms prescribed by the secretary and requires the Dept. of Revenue to issue a rebate within 90 days of receipt of the request.

Effective July 1, 2017.

(Adds R.S. 47:315.6)