

2019 Regular Session

HOUSE BILL NO. 555

BY REPRESENTATIVE STOKES

TAX/SALES & USE: Provides with respect to the exclusions and exemptions applicable to sales and use tax

1 AN ACT

2 To amend and reenact R.S. 47:301(10)(b), 302(BB)(introductory paragraph), (11), (16)

3 through (18), (22), (27), (36), (38), (46), (60), (62), (64), (65), (67), (68), (70), and

4 (89), 305.48, 305.50(E)(2), 305.66(A), 321(P)(introductory paragraph), (11), (16)

5 through (18), (22), (27), (36), (38), (46), (60), (62), (64), (65), (67), (68), (70), and

6 (89), 321.1(I)(introductory paragraph), (11), (16) through (18), (22), (27), (36), (38),

7 (46), (60), (62), (64), (65), (67), (68), (70), and (89), and 331(V)(introductory

8 paragraph), (11), (16) through (18), (22), (27), (36), (38), (46), (60), (62), (64), (65),

9 (67), (68), (70), and (89), and to enact R.S. 47:302(BB)(110), 305.72 through 305.84,

10 321(P)(111), 321.1(I)(111), and 331(V)(111) and to repeal R.S. 47:301(3)(j), (4)(i)

11 and (k), (6)(b) and (c), (7)(c), and (f) through (h), 10(c)(i)(bb), (h), (j), (m), (o), (q),

12 (r), (z), and (dd) through (ff), (13)(m), (14)(b)(i), (iv), and (h), (16)(f), and (i)

13 through (k), (18)(e), (f), (l), and (o), 301.1(B)(2)(d), 302(D), 302(BB)(19), (52), (66),

14 and (69), 305.2, 305.26, 305.33, 305.40, 305.42, 305.45, 305.67, 305.69, 321(P)(19),

15 (52), (66), and (69), 321.1(I)(19), (52), (66), and (69), 331(V)(19), (52), (66), and

16 (69), 337.9(B) and (D)(21), 337.10(G) and (M) and, 6003, relative to sales and use

17 taxes; to provide for exemptions from sales and use taxes; to provide for exclusions

18 from sales and use taxes; to provide with respect to the tax treatment of the sale,

19 lease, rental, or storage of certain tangible personal property and sale of certain

20 services; to repeal certain sales and use tax exclusions and exemptions; to provide

1 for certain requirements; to provide for limitations; to provide for effectiveness; and  
2 to provide for related matters.

3 Be it enacted by the Legislature of Louisiana:

4 Section 1. R.S. 47:301(10)(b), 302(BB)(introductory paragraph), (11), (16) through  
5 (18), (22), (27), (36), (38), (46), (60), (62), (64), (65), (67), (68), (70), and (89), 305.48,  
6 305.50(E)(2), 305.66(A), 321(P)(introductory paragraph), (11), (16) through (18), (22), (27),  
7 (36), (38), (46), (60), (62), (64), (65), (67), (68), (70), and (89), 321.1(D)(introductory  
8 paragraph), (11), (16) through (18), (22), (27), (36), (38), (46), (60), (62), (64), (65), (67),  
9 (68), (70), and (89), and 331(V)(introductory paragraph), (11), (16) through (18), (22), (27),  
10 (36), (38), (46), (60), (62), (64), (65), (67), (68), (70), and (89) are hereby amended and  
11 reenacted and R.S. 47:302(BB)(110), 305.72 through 305.84, 321(P)(111), 321.1(I)(111),  
12 and 331(V)(111) are hereby enacted to read as follows:

13 §301. Definitions

14 As used in this Chapter the following words, terms, and phrases have the  
15 meanings ascribed to them in this Section, unless the context clearly indicates a  
16 different meaning:

17 \* \* \*

18 (10)

19 \* \* \*

20 ~~(b)(i) Solely for purposes of the sales and use tax levied by the state, the sale~~  
21 ~~of tangible personal property to a dealer who purchases said property for resale~~  
22 ~~through coin-operated vending machines shall be considered a "sale at retail", subject~~  
23 ~~to such tax. The subsequent resale of the property by the dealer through~~  
24 ~~coin-operated vending machines shall not be considered a "sale at retail".~~

25 ~~(ii) Solely for purposes of the sales and use tax levied by political~~  
26 ~~subdivisions, the~~ The term "sale at retail" shall include the sale of tangible personal  
27 property by a dealer through a kiosk or coin-operated vending ~~machines.~~ machine.

28 \* \* \*

29 §302. Imposition of tax

1 \* \* \*

2 BB. Notwithstanding any other provision of law to the contrary, including  
3 but not limited to any contrary provisions of this Chapter, beginning July 1, 2018,  
4 ~~through June 30, 2025~~, there shall be no exemptions and no exclusions to the tax  
5 levied pursuant to the provisions of this Section, except for the retail sale, use,  
6 consumption, distribution, or storage for use or consumption of the following:

7 \* \* \*

8 (11) Transactions involving the construction or overhaul of United States  
9 Navy vessels as provided in ~~R.S. 47:301(7)(c) and (14)(h)~~. R.S.47:305.80.

10 \* \* \*

11 (16) Sales of food by a youth-serving organization chartered by the Congress  
12 of the United States as provided in ~~R.S. 47:301(10)(h)~~. R.S.47:305.74.

13 (17) Tangible personal property sold or donated to a food bank as provided  
14 in ~~R.S. 47:301(10)(j) and (18)(a)(i)~~. R.S. 47:301(18)(a)(i) and 305.72.

15 (18) Materials used in the collection of blood ~~as provided in R.S.~~  
16 ~~47:301(16)(j)~~. and aphaeresis kits and leuko reduction filters as provided in R.S.  
17 47:305.79.

18 \* \* \*

19 (22) Leases or rentals of railroad rolling stock ~~as provided in R.S.~~  
20 ~~47:301(4)(k)~~, rail rolling stock sold or leased in Louisiana ~~as provided in R.S.~~  
21 ~~47:305.50(E)(1)~~, and parts or services used in the fabrication, modification, or repair  
22 of rail rolling stock as provided in ~~R.S. 47:305.50(E)(2)~~. R.S.47:305.50(E).

23 \* \* \*

24 (27) Isolated or occasional sales of tangible personal property by a person  
25 not engaged in such business as provided in R.S. 47:301(1), ~~and (10)(c)(ii)(bb)~~.

26 \* \* \*

27 (36) Sales through a coin-operated vending machine as provided in  
28 ~~R.S.47:301(10)(b)(i)~~. R.S. 47:301(10)(b).

29 \* \* \*

1 (38) Purchases of food items for school lunch and breakfast programs by a  
2 nonpublic elementary or secondary school as provided in ~~R.S. 47:301(10)(dd)~~. R.S.  
3 47:305.84.

4 \* \* \*

5 (46) Vehicle rentals to a warranty customer as provided in ~~R.S. 47:301(7)(h)~~.  
6 R.S.47:305.73.

7 \* \* \*

8 (60) Freight cars, piggyback trailers, and rail rolling stock, and railroad ties  
9 as provided in ~~R.S. 47:305.45 and 305.50(F)~~. R.S. 47:305.50(F).

10 \* \* \*

11 (62) Sales of pharmaceuticals administered to livestock for agricultural  
12 purposes as provided in ~~R.S. 47:301(16)(f)~~. R.S. 47:305.78.

13 \* \* \*

14 (64) Sales of room rentals by a camp or retreat facility owned by a nonprofit  
15 organization as provided in ~~R.S. 47:301(6)(b)~~. R.S. 47:305.83.

16 (65) Sales of room rentals by a homeless shelter as provided in ~~R.S.~~  
17 ~~47:301(6)(c)~~. R.S. 47:305.81.

18 \* \* \*

19 (67) Sales or purchases of fire-fighting equipment by a volunteer fire  
20 department as provided in ~~R.S. 47:301(10)(o)~~. R.S.47:305.75.

21 (68) ~~Sales to, and leases, rentals, and use of educational materials and~~  
22 ~~equipment used for classroom instruction by a parochial and private elementary and~~  
23 ~~secondary school that complies with the court order from the Dodd Brumfield~~  
24 ~~decision and Section 501(c)(3) of the Internal Revenue Code as provided in R.S.~~  
25 ~~47:301(7)(f), (10)(c)(ii), and (18)(c)(ii).~~ Sales, leases, and rentals to and sales by  
26 parochial private elementary and secondary schools that comply with the court order  
27 from the Dodd Brumfield decision and Section 501(c)(3) of the Internal Revenue  
28 Code as provided in R.S. 47:305.84.

29 \* \* \*

1 (70) Sales, as provided in ~~R.S. 47:301(14)(b)(i)~~ R.S.47:305.77, but only of  
2 admissions to an athletic and entertainment event held for or by an elementary or  
3 secondary school and membership fees or dues of a nonprofit, civic association.

4 \* \* \*

5 (89) Sales of aircraft manufactured in Louisiana with a maximum capacity  
6 of eight persons as provided in ~~R.S. 47:301(10)(m)~~; R.S. 47:305.82.

7 \* \* \*

8 (110) Sales of tangible personal property by the Military Department as  
9 provided in R.S. 47:305.76.

10 \* \* \*

11 §305.48. Exemption; automobiles owned by military personnel

12 ~~Solely for purposes of the sales and use taxes levied by the state, motor~~  
13 Motor vehicles subject to the vehicle registration tax previously purchased in another  
14 state by active duty military personnel stationed in Louisiana, shall, at the time of  
15 transfer of registration, be exempt from such use tax imposed by ~~this Chapter~~ the  
16 state or any other taxing authority if a sales tax was imposed and collected upon the  
17 purchase of the motor vehicle by the state in which the vehicle was purchased and  
18 the purchaser was a resident or stationed in the state where the taxes were paid. The  
19 motor vehicle shall continue to be exempt from such use tax as long as the registered  
20 owner remains on active duty in any branch of the armed forces of the United States  
21 and is stationed in Louisiana.

22 \* \* \*

23 §305.50. Exemption; vehicles used in interstate commerce; rail rolling stock;  
24 railroad ties

25 \* \* \*

26 E.

27 \* \* \*

28 (2)(a) The sales and use tax imposed by the state of Louisiana or statewide  
29 taxing authorities shall not apply to parts or services used in the fabrication,

1 modification, or repair of rail rolling stock. A political subdivision may, by  
2 ordinance, provide that sales and use tax imposed by the political subdivision shall  
3 not apply to parts or service used in the fabrication, modification, or repair of rail  
4 rolling stock.

5 (b) The sales, lease, and use tax imposed by the state of Louisiana or any  
6 other taxing authorities shall not apply to the following tangible personal property  
7 or services:

8 (i) Hourly, daily, or periodic mileage or other charges referred to as "per  
9 diem or car hire" on freight cars and other rolling stock when such charges are paid  
10 by reason of the presence of freight cars and other rolling stock owned by another  
11 on the tracks of the taxpayer.

12 (ii) Piggy-back trailers or containers when brought into or operated as  
13 piggy-back trailers or containers in this state.

14 (iii) Rolling stock, such as engines, switch engines, freight cars, and  
15 machinery owned, operated, or leased by a railroad or any other person, firm, or  
16 corporation.

17 \* \* \*

18 §305.66. Exemption; parish councils on aging

19 A. The sales and use tax imposed by the state of Louisiana or any other  
20 taxing authority shall not apply to parish councils on aging, or any cooperative  
21 purchasing organization comprised of more than one parish council on aging, that  
22 is located in this state.

23 \* \* \*

24 §305.72. Exemption; purchases made by nonprofit organizations

25 Notwithstanding any other provision of law to the contrary, any purchase  
26 made by a nonprofit organization which meets any of the following requirements  
27 shall be exempt from sales and use taxes imposed by the state or any other taxing  
28 authority:

29 (1) The purchase is made with donated funds.

1           (2) The services or tangible personal property purchased shall be donated for  
2           free to the needy.

3           (3) The exempt activity represents the primary purpose of the nonprofit  
4           organization that is exempt from tax under Section 501(c)(3) of the Internal Revenue  
5           Code.

6           §305.73. Exemption; lease or rental of motor vehicles by a motor vehicle dealer for  
7           purposes of warranty agreements

8           The lease or rental of motor vehicles by a licensed motor vehicle dealer, as  
9           defined in R.S. 32:1252(35), or a vehicle manufacturer, as defined in R.S.  
10          32:1252(24), for their use in furnishing such leased or rented motor vehicles to their  
11          customers in performance of their obligations under warranty agreements associated  
12          with the purchase of a motor vehicle, or when the applicable warranty has lapsed and  
13          the leased or rented motor vehicle is provided to the customer at no charge, shall be  
14          exempt from sales and use taxes imposed by the state or any other taxing authority.

15          §305.74. Exemption; food items sold by certain youth serving organizations

16          The sale of food items by youth serving organizations chartered by Congress  
17          shall be exempt from sales and use taxes imposed by the state or any other taxing  
18          authority.

19          §305.75. Exemption; volunteer and public fire departments

20          The sale or purchase of equipment used in fire fighting by a bona fide  
21          volunteer or public fire department shall be exempt from sales and use taxes imposed  
22          by the state or any other taxing authority.

23          §305.76. Exemption; sales by the Military Department

24          Sales of tangible personal property by the Military Department, state of  
25          Louisiana, which occur on an installation or other property owned or operated by the  
26          Military Department shall be exempt from sales and use taxes imposed by the state  
27          or any other taxing authority.

28          §305.77. Exemption; membership fees or dues for certain organizations

1           The sales of membership and access privileges for the facilities of a nonprofit  
2           civic organization, including by way of illustration and not of limitation the Young  
3           Men's Christian Association, the Catholic Youth Organization, and the Young  
4           Women's Christian Association, shall be exempt from sales and use taxes imposed  
5           by the state or any other taxing authority. For purposes of this Section, "nonprofit  
6           organization" means a nonprofit organization which is deemed to be exempt under  
7           Section 501(c)(3) of the Internal Revenue Code.

8           §305.78. Exemption; pharmaceuticals administered to livestock used for agricultural  
9           purposes

10           Sales or use of pharmaceuticals administered to livestock used for  
11           agricultural purposes shall be exempt from sales and use taxes imposed by the state  
12           or any other taxing authority. Only pharmaceuticals registered with the Department  
13           of Agriculture and Forestry shall be eligible for this exemption.

14           §305.79. Exemption; blood banks

15           Sale or use of materials used directly in the collection, separation, treatment,  
16           testing, and storage of blood, and apheresis kits and leuko reduction filters utilized  
17           by nonprofit blood banks and nonprofit blood collection centers shall be exempt  
18           from sales and use taxes imposed by the state or any other taxing authority.

19           §305.80. Exemption; contracts for construction or overhaul of U.S. Navy vessels

20           Any actions performed, including leases of property, pursuant to a contract  
21           with the United States Department of the Navy for construction or overhaul of U.S.  
22           Navy vessels shall be exempt from sales and use taxes imposed by the state or any  
23           other taxing authority.

24           §305.81. Exemption; room rentals at certain homeless shelters

25           Sales of rooms by a temporary lodging facility which is operated by a  
26           nonprofit organization described in Section 501(c)(3) of the Internal Revenue Code,  
27           provided that the facility is devoted exclusively to the temporary housing, for periods  
28           no longer than thirty days' duration, of homeless transient persons whom the  
29           organization determines to be financially incapable of engaging lodging at a facility



1 defined by R.S. 47:301(6)(a), and further provided that the lodging charge to such  
2 persons is no greater than twenty dollars per day shall be exempt from sales and use  
3 taxes imposed by the state or any other taxing authority.

4 §305.82 Exemption; aircraft assembled in Louisiana with a maximum capacity of  
5 eight people

6 The sales of Louisiana-manufactured or Louisiana-assembled passenger  
7 aircraft with a maximum capacity of eight persons, if, after all transportation,  
8 including transportation by the purchaser, has been completed, the aircraft is  
9 ultimately received by the purchaser outside of Louisiana shall be exempt from sales  
10 and use taxes imposed by the state or any other taxing authority. For purposes of this  
11 Section, the places at which the aircraft is ultimately received shall be considered as  
12 the place at which the aircraft is stored after all transportation has been completed.

13 §305.83. Exemption; sales of sleeping rooms by certain camp and retreat facilities

14 Sales of sleeping rooms by a camp or retreat facility owned and operated by  
15 a nonprofit organization, the net revenue from which is used solely for the purpose  
16 for which the nonprofit organization qualifies for its exempt status under Section  
17 501(c)(3) of the Internal Revenue Code, shall be exempt from sales and use taxes  
18 imposed by the state or any other taxing authority. Any other sales of sleeping  
19 rooms or other accommodations at these facilities shall be subject to tax.

20 §305.84. Exemption; certain parochial and private schools

21 The sale, purchase, use, lease, or rental of tangible personal property or  
22 services by an approved parochial and private elementary and secondary school  
23 which complies with the court order in *Brumfield v. Dodd*, 405 F.Supp. 338 (1975)  
24 and Section 501(c)(3) of the Internal Revenue Code shall be exempt from sales and  
25 use taxes imposed by the state or any other taxing authority as follows:

26 (1) Sale of tangible personal property by the school, its students,  
27 administrators, teachers, or other employees, if the money from the sale, less  
28 reasonable and necessary expenses associated with the sale, is used solely and  
29 exclusively to support the school or its program or curricula, shall be exempt from

1 tax. This exemption shall not be construed to allow tax-free sales to students or their  
2 families by promoters or regular commercial dealers through the use of schools,  
3 school faculty, or school facilities.

4 (2) Purchase, use, lease, or rental of educational materials or equipment for  
5 classroom instruction purposes, limited to books, workbooks, computers, computer  
6 software, films, videos, and audio tapes shall be exempt from tax.

7 (3) Purchase of food items for school lunch or breakfast programs by  
8 nonpublic elementary or secondary schools which participate in the National School  
9 Lunch and School Breakfast programs and the purchase of food items by nonprofit  
10 organizations which serve students in nonpublic elementary or secondary schools  
11 and which participate in the National School Lunch and School Breakfast programs  
12 shall be exempt from tax.

13 \* \* \*

14 §321. Imposition of tax

15 \* \* \*

16 P. Notwithstanding any other provision of law to the contrary, including but  
17 not limited to any contrary provisions of this Chapter, beginning July 1, 2018,  
18 ~~through June 30, 2025~~, there shall be no exemptions and no exclusions to the tax  
19 levied pursuant to the provisions of this Section, except for the retail sale, use,  
20 consumption, distribution, or storage for use or consumption of the following:

21 \* \* \*

22 (11) Transactions involving the construction or overhaul of United States  
23 Navy vessels as provided in ~~R.S. 47:301(7)(c) and (14)(h)~~: R.S. 47:305.80.

24 \* \* \*

25 (16) Sales of food by a youth-serving organization chartered by the Congress  
26 of the United States as provided in ~~R.S. 47:301(10)(h)~~: R.S. 47:305.74.

27 (17) Tangible personal property sold or donated to a food bank as provided  
28 in ~~R.S. 47:301(10)(j) and (18)(a)(i)~~: R.S. 47:301(18)(a)(i) and 305.72.

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.



1 (64) Sales of room rentals by a camp or retreat facility owned by a nonprofit  
2 organization as provided in ~~R.S. 47:301(6)(b)~~; R.S.47:305.83.

3 (65) Sales of room rentals by a homeless shelter as provided in ~~R.S.~~  
4 ~~47:301(6)(c)~~; R.S. 47:305.81.

5 \* \* \*

6 (67) Sales or purchases of fire-fighting equipment by a volunteer fire  
7 department as provided in ~~R.S. 47:301(10)(o)~~; R.S. 47:305.75.

8 ~~(68) Sales to, and leases, rentals, and use of educational materials and~~  
9 ~~equipment used for classroom instruction by a parochial and private elementary and~~  
10 ~~secondary school that complies with the court order from the Dodd Brumfield~~  
11 ~~decision and Section 501(c)(3) of the Internal Revenue Code as provided in R.S.~~  
12 ~~47:301(7)(f), (10)(q)(ii), and (18)(e)(ii); Sales, leases, and rentals to and sales by~~  
13 ~~parochial private elementary and secondary schools that comply with the court order~~  
14 ~~from the Dodd Brumfield decision and Section 501(c)(3) of the Internal Revenue~~  
15 ~~Code as provided in R.S. 47:305.84.~~

16 \* \* \*

17 (70) Sales, as provided in ~~R.S. 47:301(14)(b)(i)~~ R.S. 47:305.77, but only of  
18 admissions to an athletic and entertainment event held for or by an elementary or  
19 secondary school and membership fees or dues of a nonprofit, civic association.

20 \* \* \*

21 (89) Sales of aircraft manufactured in Louisiana with a maximum capacity  
22 of eight persons as provided in ~~R.S. 47:301(10)(m)~~; R.S.47:305.82.

23 \* \* \*

24 (111) Sales of tangible personal property by the Military Department as  
25 provided in R.S. 47:305.76.

26 \* \* \*

27 §321.1. Imposition of tax

28 \* \* \*

1 I. Notwithstanding any other provision of law to the contrary, including but  
2 not limited to any contrary provisions of this Chapter, beginning July 1, 2018,  
3 ~~through June 30, 2025~~, there shall be no exemptions and no exclusions to the tax  
4 levied pursuant to the provisions of this Section, except for the retail sale, use,  
5 consumption, distribution, or storage for use or consumption of the following:

6 \* \* \*

7 (11) Transactions involving the construction or overhaul of United States  
8 Navy vessels as provided in ~~R.S. 47:301(7)(c) and (14)(h)~~; R.S. 47:305.80.

9 \* \* \*

10 (16) Sales of food by a youth-serving organization chartered by the Congress  
11 of the United States as provided in ~~R.S. 47:301(10)(h)~~; R.S. 47:305.74.

12 (17) Tangible personal property sold or donated to a food bank as provided  
13 in ~~R.S. 47:301(10)(j) and (18)(a)(i)~~; R.S. 47:301 (18)(a)(i) and 305.72.

14 (18) Materials used in the collection of blood ~~as provided in R.S.~~  
15 ~~47:301(16)(j) and~~ apheresis kits and leuko reduction filters as provided in  
16 R.S.47:305.79.

17 \* \* \*

18 (22) Leases or rentals of railroad rolling stock ~~as provided in R.S.~~  
19 ~~47:301(4)(k)~~, rail rolling stock sold or leased in Louisiana ~~as provided in R.S.~~  
20 ~~47:305.50(E)(1)~~, and parts or services used in the fabrication, modification, or repair  
21 of rail rolling stock as provided in ~~R.S. 47:305.50(E)(2)~~; R.S. 47:305.50(E).

22 \* \* \*

23 (27) Isolated or occasional sales of tangible personal property by a person  
24 not engaged in such business as provided in R.S. 47:301(1), ~~and (10)(c)(ii)(bb)~~.

25 \* \* \*

26 (36) Sales through a coin-operated vending machine as provided in  
27 ~~R.S.47:301(10)(b)(i)~~; R.S. 47:301(10)(b).

28 \* \* \*

1 (38) Purchases of food items for school lunch and breakfast programs by a  
2 nonpublic elementary or secondary school as provided in ~~R.S. 47:301(10)(dd)~~.  
3 R.S.47:305.84.

4 \* \* \*

5 (46) Vehicle rentals to a warranty customer as provided in ~~R.S. 47:301(7)(h)~~.  
6 R.S. 47:305.73.

7 \* \* \*

8 (60) Freight cars, piggyback trailers, and rail rolling stock, and railroad ties  
9 as provided in ~~R.S. 47:305.45 and 305.50(F)~~. R.S. 47:305.50(F).

10 \* \* \*

11 (62) Sales of pharmaceuticals administered to livestock for agricultural  
12 purposes as provided in ~~R.S. 47:301(16)(f)~~. R.S. 47:305.78.

13 \* \* \*

14 (64) Sales of room rentals by a camp or retreat facility owned by a nonprofit  
15 organization as provided in ~~R.S. 47:301(6)(b)~~. R.S. 47:305.83.

16 (65) Sales of room rentals by a homeless shelter as provided in ~~R.S.~~  
17 ~~47:301(6)(c)~~. R.S. 47:305.81.

18 \* \* \*

19 (67) Sales or purchases of fire-fighting equipment by a volunteer fire  
20 department as provided in ~~R.S. 47:301(10)(o)~~. R.S.47:305.75.

21 (68) ~~Sales to, and leases, rentals, and use of educational materials and~~  
22 ~~equipment used for classroom instruction by a parochial and private elementary and~~  
23 ~~secondary school that complies with the court order from the Dodd Brumfield~~  
24 ~~decision and Section 501(c)(3) of the Internal Revenue Code as provided in R.S.~~  
25 ~~47:301(7)(f), (10)(c)(ii), and (18)(c)(ii).~~ Sales, leases, and rentals to and sales by  
26 parochial private elementary and secondary schools that comply with the court order  
27 from the Dodd Brumfield decision and Section 501(c)(3) of the Internal Revenue  
28 Code as provided in R.S. 47:305.84.

29 \* \* \*

1 (70) Sales, as provided in ~~R.S. 47:301(14)(b)(i)~~ R.S.47:305.77, but only of  
2 admissions to an athletic and entertainment event held for or by an elementary or  
3 secondary school and membership fees or dues of a nonprofit, civic association.

4 \* \* \*

5 (89) Sales of aircraft manufactured in Louisiana with a maximum capacity  
6 of eight persons as provided in ~~R.S. 47:301(10)(m)~~; R.S. 47:305.82.

7 \* \* \*

8 (111) Sales of tangible personal property by the Military Department as  
9 provided in R.S. 47:305.76.

10 \* \* \*

11 §331. Imposition of tax

12 \* \* \*

13 V. Notwithstanding any other provision of law to the contrary, including but  
14 not limited to any contrary provisions of this Chapter, beginning July 1, 2018,  
15 ~~through June 30, 2025~~, there shall be no exemptions and no exclusions to the tax  
16 levied pursuant to the provisions of this Section, except for the retail sale, use,  
17 consumption, distribution, or storage for use or consumption of the following:

18 \* \* \*

19 (11) Transactions involving the construction or overhaul of United States  
20 Navy vessels as provided in ~~R.S. 47:301(7)(c) and (14)(h)~~; R.S.47:305.80.

21 \* \* \*

22 (16) Sales of food by a youth-serving organization chartered by the Congress  
23 of the United States as provided in ~~R.S. 47:301(10)(h)~~; R.S.47:305.74.

24 (17) Tangible personal property sold or donated to a food bank as provided  
25 in ~~R.S. 47:301(10)(j) and (18)(a)(i)~~; R.S. 47:301(18)(a)(i) and 305.72.

26 (18) Materials used in the collection of blood ~~as provided in R.S.~~  
27 ~~47:301(16)(j)~~; and aphaeresis kits and leuko reduction filters as provided in R.S.  
28 47:305.79.

29 \* \* \*

1 (22) Leases or rentals of railroad rolling stock ~~as provided in R.S.~~  
2 ~~47:301(4)(k)~~, rail rolling stock sold or leased in Louisiana ~~as provided in R.S.~~  
3 ~~47:305.50(E)(1)~~, and parts or services used in the fabrication, modification, or repair  
4 of rail rolling stock as provided in ~~R.S. 47:305.50(E)(2)~~. R.S.47:305.50(E).

5 \* \* \*

6 (27) Isolated or occasional sales of tangible personal property by a person  
7 not engaged in such business as provided in R.S. 47:301(1), ~~and (10)(c)(ii)(bb)~~.

8 \* \* \*

9 (36) Sales through a coin-operated vending machine as provided in  
10 ~~R.S.47:301(10)(b)(i)~~. R.S. 47:301(10)(b).

11 \* \* \*

12 (38) Purchases of food items for school lunch and breakfast programs by a  
13 nonpublic elementary or secondary school as provided in ~~R.S. 47:301(10)(dd)~~. R.S.  
14 47:305.84.

15 \* \* \*

16 (46) Vehicle rentals to a warranty customer as provided in ~~R.S. 47:301(7)(h)~~.  
17 R.S.47:305.73.

18 \* \* \*

19 (60) Freight cars, piggyback trailers, and rail rolling stock, and railroad ties  
20 as provided in ~~R.S. 47:305.45 and 305.50(F)~~. R.S. 47:305.50(F).

21 \* \* \*

22 (62) Sales of pharmaceuticals administered to livestock for agricultural  
23 purposes as provided in ~~R.S. 47:301(16)(f)~~. R.S. 47:305.78.

24 \* \* \*

25 (64) Sales of room rentals by a camp or retreat facility owned by a nonprofit  
26 organization as provided in ~~R.S. 47:301(6)(b)~~. R.S. 47:305.83.

27 (65) Sales of room rentals by a homeless shelter as provided in ~~R.S.~~  
28 ~~47:301(6)(c)~~. R.S. 47:305.81.

29 \* \* \*





1 Section 3. R.S. 47:301(3)(j), (4)(i) and (k), (6)(b) and (c), (7)(c), and (f) through (h),  
 2 10(c)(i)(bb), (h), (j), (m), (o), (q), (r), (z), and (dd) through (ff), (13)(m), (14)(b)(i), (iv), and  
 3 (h), (16)(f), and (i) through (k), (18)(e), (f), (l), and (o), 301.1(B)(2)(d), 302(D),  
 4 302(BB)(19), (52), (66), and (69), 305.2, 305.26, 305.33, 305.40, 305.42, 305.45, 305.67,  
 5 305.69, 321(P)(19), (52), (66), and (69), 321.1(I)(19), (52), (66), and (69), 331(V)(19), (52),  
 6 (66), and (69), 337.9(B) and (D)(21), 337.10(G) and (M) and, 6003 are hereby repealed in  
 7 their entirety.

8 Section 4. This Act shall become effective on July 1, 2020.

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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 555 Original

2019 Regular Session

Stokes

**Abstract:** Provides for exclusions and exemptions applicable to sales and use taxes imposed by the state and other taxing authorities.

Present law imposes state sales and use taxes on the sale, use, lease, or rental of tangible personal property pursuant to the following levies in the following amounts:

R.S. 47:302 - 2%  
 R.S. 47:321 - 1%  
 R.S. 47:321.1 - .45%  
 R.S. 47:331 - .97%  
 R.S. 51:1286 - .03%

Present law establishes a wide variety of exclusions and exemptions from the sales and use taxes imposed by the state and other taxing authorities.

Present law suspends numerous exemptions from the four levies of state sales and use tax (R.S. 47:302, 321, 321.1, and 331) through June 30, 2025.

Present law establishes that from July 1, 2018, through June 30, 2025, only the following exemptions shall be applicable to all state sales and use tax levies:

- (1) Food for home consumption as defined in R.S. 47:305(D)(1)(n) through (r) on Jan. 1, 2003.(Const. Art. VII, §2.2)
- (2) Natural gas. (Const. Art. VII, §2.2)
- (3) Electricity. (Const. Art. VII, §2.2)
- (4) Water. (Const. Art. VII, §2.2)
- (5) Prescription drugs. (Const. Art. VII, §2.2)

- (6) Gasoline and other motor fuels subject to the state excise tax on fuel (Const. Art. VII, §27.)
- (7) Sales to the U.S. government and its agencies. (R.S. 47:301(10)(g))
- (8) Other constructions permanently attached to the ground. (R.S. 47:301(16)(l))
- (9) Installation charges on tangible personal property. (R.S. 47:301(3)(a))
- (10) Installation of oil field board roads. (R.S. 47:301(3)(c))
- (11) Transactions involving the construction or overhaul of U.S. Navy vessels. (R.S. 47:301(7)(c) and (14)(h))
- (12) Property purchased for exclusive use outside the state. (R.S. 47:305.10)
- (13) Sales, leases, or rentals of tangible personal property paid by or under the provisions of Medicare. (R.S. 47:315.3)
- (14) Sales of human tissue transplants. (R.S. 47:301(10)(d))
- (15) Sales of raw agricultural commodities. (R.S. 47:301(10)(e))
- (16) Sales of food by a youth-serving organization chartered by the U.S. Congress. (R.S. 47:301(10)(h))
- (17) Tangible personal property sold or donated to a food bank. (R.S. 47:301(10)(j) and (18)(a)(i))
- (18) Materials used in the collection of blood. (R.S. 47:301(16)(j))
- (19) Aphaeresis kits and leuko reduction filters. (R.S. 47:301(16)(k))
- (20) Donations to schools and food banks from resale inventory. (R.S. 47:301(18)(a))
- (21) Manufacturer's rebates on a new motor vehicle. (R.S. 47:301(3)(e) and (13)(b))
- (22) Sales, leases or rentals of railroad rolling stock in La., and sales of parts and services used in the fabrication, modification, or repair of rail rolling stock. (R.S. 47:301(4)(k) and 305.50(E))
- (23) Sales, purchases and leases of tangible personal property by free hospitals. (R.S. 47:301(7)(e), (10)(p), and (18)(c))
- (24) Purchases by a nonprofit entity that sells donated goods. (R.S. 47:301(8)(f))
- (25) Tangible personal property for resale. (R.S. 47:301(10)(a)(i))
- (26) Purchases of property for lease or rental. (R.S. 47:301(10)(a)(iii) and (18)(a)(iii))
- (27) Isolated or occasional sales of tangible personal property by a person not engaged in such business. (R.S. 47:301(1) and (10)(c)(ii)(bb))
- (28) Use of a motor vehicle in La. by a member of the active duty military. (R.S. 47:303(A) and 305.48)
- (29) Purchases made under the Supplemental Nutrition Assistance Program through WIC Program Vouchers. (R.S. 47:305.46)

- (30) An article traded in on the purchase of tangible personal property. (R.S. 47:301(13)(a))
- (31) Donation of toys. (R.S. 47:301(10)(aa)(i) and (18)(m))
- (32) Stocks, bonds, notes, and other obligations or securities. (R.S. 47:301(16)(b)(i))
- (33) Credit for sales and use taxes paid to another state on tangible personal property imported in La. (R.S. 47:303(A)(3)(a))
- (34) Work product of certain professionals. (R.S. 47:301(16)(e))
- (35) Purchases by a regionally accredited independent educational institution. (R.S. 47:301(8)(b))
- (36) Sales through a coin-operated vending machine. (R.S.47:301(10)(b)(i))
- (37) Purchases by a private postsecondary academic degree-granting institution. (R.S. 47:301(10)(cc) and(18)(n))
- (38) Purchases of food items for school lunch and breakfast programs by a nonpublic elementary or secondary school. (R.S. 47:301(10)(dd))
- (39) Funeral directing services. (R.S. 47:301(14)(j))
- (40) Feed and feed additives for animals held for business purposes. (R.S. 47:305(A)(4))
- (41) Farm products produced and used by farmers. (R.S. 47:305(B))
- (42) Sale of fertilizer and containers to farmers. (R.S. 47:305(D)(1)(f))
- (43) Sales of seeds for planting crops. (R.S. 47:305.3)
- (44) Sales of pesticides for agricultural purposes. (R.S. 47:305.8)
- (45) The cost price for the printing of a news publication. (R.S. 47:301(3)(h))
- (46) Vehicle rentals to a warranty customer. (R.S. 47:301(7)(h))
- (47) Leases or rentals of a crane and related equipment with an operator. (R.S. 47:301(7)(k))
- (48) Sales by and to the state and its political subdivisions. (R.S. 47:301(8)(c))
- (49) Sales of materials for further processing. (R.S. 47:301(10)(c)(i)(aa))
- (50) The sales price for new farm equipment used in poultry production. (R.S. 47:301(13)(c))
- (51) A factory built home. (R.S. 47:301(16)(g))
- (52) Any advertising service rendered by an advertising business. (R.S. 47:302(D))
- (53) Sales of livestock, poultry, and other farm products direct from a farm. (R.S. 47:305(A)(1))
- (54) Sales of livestock at a public sale sponsored by a breeders' or registry association or at a livestock auction market. (R.S. 47:305(A)(2))

- (55) Sales of agricultural commodities by a person other than the producer, for use in further processing. (R.S. 47:305(A)(3))
- (56) Transactions in interstate commerce and tangible personal property imported into this state, or produced or manufactured in this state for export. (R.S. 47:305(E))
- (57) Ships, vessels, barges, and related supplies. (R.S. 47:305.1)
- (58) The sales price of new farm equipment, including polyroll tubing. (R.S. 47:305.25)
- (59) A truck and trailer if used at least 80% of the time in interstate commerce. (R.S. 47:305.50(A))
- (60) Freight cars, piggyback trailers, and rail rolling stock, and railroad ties. (R.S. 47:305.45 and 305.50(F))
- (61) Sales or purchases by a council on aging. (R.S. 47:305.66)
- (62) Sales of pharmaceuticals administered to livestock for agricultural purposes. (R.S. 47:301(16)(f))
- (63) Materials used in the production of crawfish and catfish. (R.S. 47:305(A)(5) and (6))
- (64) Sales of room rentals by a camp or retreat facility owned by a nonprofit organization. (R.S.47:301(6)(b))
- (65) Sales of room rentals by a homeless shelter. (R.S. 47:301(6)(c))
- (66) Sales, leases, and rentals of tangible personal property to Boys State of La., Inc. and Girls State of La., Inc. (R.S. 47:301(7)(g) and (10)(r))
- (67) Sales or purchases of fire-fighting equipment by a volunteer fire department. (R.S. 47:301(10)(o))
- (68) Sales to, and leases, rentals, and use of educational materials and equipment used for classroom instruction by a parochial and private elementary and secondary school that complies with the court order from the Dodd Brumfield decision and federal law. (R.S. 47:301(7)(f), (10)(q)(ii), and (18)(e)(ii))
- (69) Sales by a parochial and private elementary and secondary school that complies with the court order from the Dodd Brumfield decision and federal law. (R.S. 47:301(10)(q)(i) and (18)(e)(i))
- (70) Sales, (R.S. 47:301(14)(b)(i)), but only of admissions to an athletic and entertainment event held for or by an elementary or secondary school and membership fees or dues of a nonprofit, civic association.
- (71) Sales or use of orthotic devices, prosthetic devices, hearing aids, eyeglasses, contact lenses, and wheelchairs prescribed by a physician, optometrist, or licensed chiropractor used exclusively by the patient for personal use. (R.S. 47:305(D)(1)(k))
- (72) Sales or use of ostomy, colostomy, and ileostomy devices and equipment. (R.S. 47:305(D)(1)(l))
- (73) Sales of medical devices. (R.S. 47:305(D)(1)(s))
- (74) Sales of dental devices and materials. (R.S. 47:305(D)(1)(t))

- (75) Sales or use of adaptive driving equipment and motor vehicle modification prescribed for personal use. (R.S. 47:305(D)(1)(u))
- (76) Sales or use of a meal by an educational institution, medical facility, mental institution, and an occasional meal furnished by an educational, religious, or medical organization. (R.S. 47:305(D)(2))
- (77) Purchases or rentals of renal dialysis machines, parts, materials, and supplies for home use under a physician's prescription. (R.S. 47:305(G))
- (78) Sales of admission to entertainment events by a Little Theater organization. (R.S. 47:305.6)
- (79) Sales of admission to musical performances sponsored by a nonprofit organization. (R.S. 47:305.7)
- (80) Sales of admissions to entertainment events sponsored by domestic nonprofit charitable, religious, and educational organizations. (R.S. 47:305.13)
- (81) Sales of admissions, parking fees, and sales of tangible personal property at events sponsored by domestic, civic, educational, historical, charitable, fraternal, or religious nonprofit organizations. (R.S. 47:305.14(A)(1))
- (82) Sales of admissions and parking fees at fairs and festivals sponsored by nonprofit organizations. (R.S. 47:305.18)
- (83) Purchases of fishing vessels, supplies, fuels, lubricants, and repairs for the vessels of licensed commercial fishermen. (R.S. 47:305.20)
- (84) Sales of butane, propane, or other liquified petroleum gases for private, residential consumption. (R.S. 47:305.39)
- (85) Sales and purchases by certain organizations that provide training for blind persons. (R.S.47:305.15)
- (86) Purchases and lease by qualified radiation therapy treatment centers. (R.S. 47:305.64)
- (87) Sales of electricity for chlor-alkali manufacturing. (R.S. 47:301(10)(c)(ii)(aa))
- (88) Rentals or leases of certain oilfield property for re-lease or re-rental.(R.S. 47:301(7)(b))
- (89) Sales of aircraft manufactured in La. with a capacity in excess of eight persons.(R.S. 47:301(10)(m))
- (90) Labor, materials, services, and supplies used for the repair, renovation, or conversion of drilling rig machinery and equipment which become component parts of a drilling rig used exclusively for exploration or development of minerals. (R.S. 47:301(14)(g)(iii))
- (91) Repairs and materials used on drilling rigs and equipment used exclusively for exploration of development of minerals. (R.S. 47:305(I))
- (92) Sales by thrift shops located on military installations. (R.S. 47:305.14(A)(4))
- (93) Leases or rentals of vessels for use in offshore mineral production, or the provision of services to those engaged in mineral production. (R.S. 47:305.19)

- (94) Sales of gasohol. (R.S. 47:305.28)
- (95) Sales or purchases by sheltered workshops. (R.S. 47:305.38)
- (96) Pharmaceutical samples manufactured or imported into the state free of charge. (R.S. 47:305.47)
- (97) The exclusion for surface preparation, painting, and coating fixed or rotarywing aircraft and certified transport category aircraft registered outside of this state. (R.S. 47:301(14)(g)(iv))
- (98) Sales of platinum, gold, and silver bullion, that is valued solely upon its precious metal content, whether in coin or ingot form. (R.S. 47:301(16)(b)(ii)(aa))
- (99) Sales of certain numismatic coins. (R.S. 47:301(16)(b)(ii)(bb) and (cc))
- (100) Purchases, use, and lease of manufacturing machinery and equipment. (R.S. 47:301(3)(i), (13)(k) and (28)(a))
- (101) Purchase of consumables by paper and wood manufacturers and loggers assigned an industry designation of 3211 - 3222 or 113310 pursuant to the NAICS Code of 2007. (R.S.47:301(3)(k))
- (102) Sale and purchase of electricity as provided in R.S. 47:305(D)(1)(d) for use in production activity subject to the payment of state severance tax on production from a stripper well. (R.S. 47:633(7)(c)(i) and (ii)(aa) and (bb))
- (103) Purchase of machinery and equipment by a utility regulated by the Public Service Commission and the city of New Orleans. (R.S. 47:301(16)(o))
- (104) Repair services performed in La. when the repaired property is delivered outside of La. (R.S.47:301(14)(g)(i)(bb))
- (105) Any transaction by a nonprofit electric cooperative that is exempt from tax. (R.S. 12:425)
- (106) Diesel fuel, butane, propane, or other gases used or consumed for farm purposes. (R.S. 47:305.37(A))
- (107) Refunds for purchases of tangible personal property by international travelers as part of the Louisiana Tax Free Shopping Program. (R.S. 51:1301, et seq.)
- (108) Sales of tangible personal property and services at certain public facilities. (R.S. 39:467 and 468)
- (109) The use of steam produced through the processing of a raw agricultural product used in a facility predominately and directly engaged in the processing of an agricultural product by a manufacturer as defined in R.S.47:301(3)(i)(ii)(bb) based on being assigned a NAICS Code within the agricultural, forestry, fishing, and hunting Sector 11.

Proposed law removes the sunset date of the base unification in all levies therefore making the above exemptions the exclusive and permanent list of sales and use tax exemptions to be given effect.

Present law provides that the exemptions for the sales and use of steam, water, electric power or energy, natural gas, or other energy sources as provided in R.S. 47:305(D)(1)(b),

(c), (d), (g), and (h) ***with respect to all taxpayers shall*** be applicable to the taxes levied under R.S. 47:321, 321.1.1, and 331.

Present law provides that for purposes of state sales and use taxes, the sale of tangible personal property to a dealer who purchases the property for resale through coin-operated vending machines shall be considered a "sale at retail" and be subject to tax. The subsequent resale of the property by the dealer through coin-operated vending machines shall not be considered a "sale at retail".

Proposed law changes present law by providing that for the purposes of taxes imposed by all taxing authorities "sale at retail" shall include the sale of tangible personal property by a dealer through a kiosk or coin-operated vending machine.

Proposed law changes the following sales and use tax exclusions to exemptions:

- (1) Sales, leases or rentals of rail rolling stock in La. and parts or services used in the fabrication, modification, or repair of rail rolling stock.
- (2) Sales through a coin-operated vending machine.
- (3) Freight cars, piggyback trailers, and rail rolling stock, and railroad ties.
- (4) Purchases made by nonprofit organizations
- (5) Lease or rental of a motor vehicle by a motor vehicle dealer for purposes of a warranty agreement.
- (6) Food items sold by youth organizations
- (7) Purchases by volunteer and public fire departments.
- (8) Sales by the Military Department.
- (9) Membership fees or dues for certain nonprofit clubs or organizations.
- (10) Pharmaceuticals administered to livestock.
- (11) Materials used by a blood bank or nonprofit blood collection center, to include aphaeresis kits and leuko reduction filters.
- (12) Activities involved in a contract with the U.S. Navy concerning Navy vessels.
- (13) Room rentals at certain homeless shelters.
- (14) Sale of aircraft with a maximum capacity of 8 people, assembled in La.
- (15) Certain sales of sleeping rooms at certain camp and retreat facilities.

Proposed law provides that the exemptions for the sales and use of steam, water, electric power or energy, natural gas, or other energy sources as provided in R.S. 47:305(D)(1)(b), (c), (d), (g), and(h) with respect to all taxpayers shall be applicable to the taxes levied under R.S. 47:321, 321.1, and 331.

Present law establishes an exemption from state use taxes for the use of motor vehicles subject to the vehicle registration tax previously purchased in another state by active duty military personnel stationed in La. Proposed law changes present law by extending the exemption to the use taxes imposed by any taxing authority.



Present law establishes an exemption from state sales and use taxes imposed by any taxing authority and by including cooperative purchasing organizations comprised of councils on aging.

Proposed law changes present law by repealing various sales and use tax exclusions in favor of enacting *new consolidated exemptions* covering the same subject matters.

Effective July 1, 2020.

(Amends R.S. 47:301(10)(b), 302(BB)(intro. para.), (11), (16) through (18), (22), (27), (36), (38), (46), (60), (62), (64), (65), (67), (68), (70), and (89), 305.48, 305.50(E)(2), 305.66(A), 321(P)(intro. para.), (11), (16) through (18), (22), (27), (36), (38), (46), (60), (62), (64), (65), (67), (68), (70), and (89), 321.1(I)(intro. para.), (11), (16) through (18), (22), (27), (36), (38), (46), (60), (62), (64), (65), (67), (68), (70), and (89), and 331(V)(intro. para.), (11), (16) through (18), (22), (27), (36), (38), (46), (60), (62), (64), (65), (67), (68), (70), and (89); Adds R.S. 47:302(BB)(110), 305.72 through 305.84, 321(P)(111), 321.1(I)(111), and 331(V)(111); Repeal R.S. 47:301(3)(j), (4)(i) and (k), (6)(b) and (c), (7)(c), and (f) through (h), 10(c)(i)(bb), (h), (j), (m), (o), (q), (r), (z), and (dd) through (ff), (13)(m), (14)(b)(i), (iv), and (h), (16)(f), and (i) through (k), (18)(e), (f), (l), and (o), 301.1(B)(2)(d), 302(D), 302(BB)(19), (52), (66), and (69), 305.2, 305.26, 305.33, 305.40, 305.42, 305.45, 305.67, 305.69, 321(P)(19), (52), (66), and (69), 321.1(I)(19), (52), (66), and (69), 331(V)(19), (52), (66), and (69), 337.9(B) and (D)(21), 337.10(G) and (M) and, 6003)