

2025 Regular Session

SENATE BILL NO. 243

BY SENATOR REESE

TAX EXEMPTIONS. Provides relative to the sales and use tax exemption for the sale of certain prescription drugs. (gov sig)

1 AN ACT

2 To amend and reenact R.S. 47:305.2(B)(1), relative to state and local sales tax exemptions;
3 to provide relative to the sales tax exemption for the sale of certain prescription
4 drugs; to provide for an effective date; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 47:305.2(B)(1) is amended and reenacted to read as follows:

7 §305.2. Exemption; medical

8 * * *

9 B. The following items shall be exempt from the sales and use tax imposed
10 by any taxing authority:

11 (1) The sale of prescription drugs pursuant to **individuals enrolled in the**
12 **Louisiana Children's Health Insurance Program under** Title XXI of the Social
13 Security Act ~~and the pharmaceutical vendor program for~~ **or enrolled in any**
14 **Louisiana Medicaid program under** Title XIX of the Social Security Act ~~as~~
15 ~~administered by the Louisiana Department of Health.~~

16 * * *

17 Section 2. The provisions of Section 1 of this Act are interpretive and not

1 substantive; they do not change the law or establish new rules, rights, or duties to any
2 person.

3 Section 3. This Act shall become effective upon signature by the governor or, if not
4 signed by the governor, upon expiration of the time for bills to become law without signature
5 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
6 vetoed by the governor and subsequently approved by the legislature, this Act shall become
7 effective on the day following such approval.

The original instrument and the following digest, which constitutes no part
of the legislative instrument, were prepared by Senate Legislative Services.
The keyword, summary, 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)]

DIGEST

SB 243 Engrossed

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Reese

Present law authorizes a state and local sales and use tax exemption for the sale of
prescription drugs pursuant to Title XXI of the Social Security Act and the pharmaceutical
vendor program for Title XIX of the Social Security Act.

Proposed law retains present law but clarifies that sale of prescription drugs to an individual
enrolled in any Louisiana Children's Health Insurance under Title XXI of the Social Security
Act or enrolled in any Louisiana Medicaid program under Title XIX of the Social Security
Act is exempt from state and local sales and use taxes.

Proposed law is interpretative and not substantive; it does not change the law or establish
new rules, rights, or duties to any person.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 47:305.2(B)(1))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the original bill

1. Removes reference to the Louisiana Department of Health.