

HOUSE SUMMARY OF SENATE AMENDMENTS

House Bill No. 225 by Representative St. Germain

TAX/SALES-USE-EXEMPT: Authorizes an annual "sales tax holiday" for the purchase of certain hurricane-preparedness items or supplies

Synopsis of Senate Amendments

1. Authorizes an additional annual "sales tax holiday" on the first \$2,500 of the sales price of any consumer purchases of tangible personal property.
2. Authorizes the date of the annual "sales tax holiday" to be from Sunday through Saturday of the week in which the first day of August occurs.
3. Provides for the tax treatment of exempt items sold in sets, promotional sales, exchanges, layaways, rainchecks, and rebates.

Digest of Bill as Finally Passed by Senate

Proposed law provides for an annual "sales tax holiday" during the last weekend of May each year beginning at 12:01 a.m. on Friday and ending at 11:59 p.m. on Sunday, affecting state sales and use taxes on the first \$1,500 of the purchase price on the purchase of certain hurricane-preparedness items or supplies.

Proposed law defines "hurricane-preparedness items or supplies" as any of the following:

- (1) Any portable self-powered light source.
- (2) Any portable self-powered radio.
- (3) Any tarpaulin or other flexible waterproof sheeting.
- (4) Any ground anchor system or tie-down kit.
- (5) Any gas or diesel fuel tank.
- (6) Any package of AAA, AA, C, D, 6-volt, or 9-volt batteries, excluding automobile and boat batteries.
- (7) Any cell phone battery and any cell phone charger.
- (8) Any nonelectric food storage cooler.
- (9) Any portable generator used to provide light or communications or preserve food in the event of a power outage.
- (10) Any "storm shutter device".
- (11) Any carbon monoxide detector.
- (12) Any blue ice product.

Proposed law prohibits hurricane-preparedness items or supplies purchased at airports, public lodging establishments, convenience stores, and entertainment complexes from qualifying for this sales and use tax exemption.

Proposed law provides for the tax treatment of exempt items sold in sets, promotional sales, exchanges, layaways, rainchecks, and rebates.

Present law enacted the 2005 Louisiana Sales Tax Holiday Act which exempted from state sales tax the first \$2,500 of any consumer purchase of tangible personal property that occurred on December 16, 17, and 18, 2005. The Act also exempted such purchases by businesses located in a Hurricane Katrina or Hurricane Rita Federal Emergency Management Agency Individual Assistance Areas if the property purchased replaced property damaged, destroyed, or lost as a result of the conditions created by Hurricane Katrina or Hurricane Rita.

Present law excluded from the exemption the purchase of vehicles subject to license and title

and meals furnished for consumption on the premises where purchased, including to-go orders.

Proposed law establishes the annual Louisiana Sales Tax Holidays to exempt from state sales tax each year only the sales to consumers (but not businesses in the hurricane areas) in the same manner as is provided in the present law set forth above from Sunday through Saturday of the week in which the first of August occurs.

Present law provides for the tax treatment of exempt items sold in sets, promotional sales, exchanges, layaways, rainchecks, and rebates. Proposed law retains present law.

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

(Amends R.S. 47:305.54; Adds R.S. 47:305.56)