

Regular Session, 2007

HOUSE BILL NO. 225

BY REPRESENTATIVES ST. GERMAIN, ARNOLD, BADON, BALDONE, CURTIS,
FARRAR, FAUCHEUX, KENNEY, RICHMOND, RITCHIE, JANE SMITH, AND
TOWNSEND AND SENATOR MARIONNEAUX

1 AN ACT

2 To amend and reenact R.S. 47:301(3)(i)(ii)(bb)(I) and to enact R.S. 47:305.56, relative to
3 sales and use tax; to authorize an annual "sales tax holiday" for purchases of certain
4 hurricane-preparedness items or supplies; to provide for definitions; to provide
5 restrictions on the types and cost of purchases eligible for exemption; to authorize
6 a sales and use tax exemption for certain manufacturers; to provide for an effective
7 date; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 47:301(3)(i)(ii)(bb)(I) is hereby amended and reenacted and R.S.
10 47:305.56 is hereby enacted to read as follows:

11 §301. Definitions

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

15 * * *

16 (3)(a)

17 * * *

18 (i)(i)

19 * * *

20 (ii) For purposes of this Subparagraph, the following definitions shall apply:

21 * * *

22 (bb) "Manufacturer" means:

23 (I) A person whose principal activity is manufacturing, as defined in this
24 Subparagraph, and who is assigned by the Louisiana Department of Labor a North

1 American Industrial Classification System code within the agricultural, forestry,
 2 fishing, and hunting Sector 11, ~~or~~ the manufacturing Sectors 31-33 as they existed
 3 in 2002, or industry code 423930 as a recyclable material merchant wholesaler
 4 engaged in manufacturing activities, which must include shredding facilities, as
 5 determined by the secretary of the Department of Revenue.

6 * * *

7 §305.56. Exemption; annual sales tax holiday; hurricane-preparedness items or
 8 supplies; dates; restrictions

9 A.(1) Notwithstanding any other provision of law to the contrary, the sales
 10 and use tax levied by the state of Louisiana shall not apply to the first one thousand
 11 five hundred dollars of the sales price of purchases of hurricane-preparedness items
 12 or supplies as defined in this Subsection that occur during an eligible tax exemption
 13 period.

14 (2)(a) For purposes of this Section, "hurricane-preparedness items or
 15 supplies" shall include any of the following:

16 (i) Any portable self-powered light source.

17 (ii) Any portable self-powered radio, two-way radio, or weatherband radio.

18 (iii) Any tarpaulin or other flexible waterproof sheeting.

19 (iv) Any ground anchor system or tie-down kit.

20 (v) Any gas or diesel fuel tank.

21 (vi) Any package of AAA-cell, AA-cell, C-cell, D-cell, 6-volt, or 9-volt
 22 batteries, excluding automobile and boat batteries.

23 (vii) Any cell phone battery and any cell phone charger.

24 (viii) Any nonelectric food storage cooler.

25 (ix) Any portable generator used to provide light or communications or
 26 preserve food in the event of a power outage.

27 (x) Any "storm shutter device". The term "storm shutter device" shall
 28 include materials and products manufactured, rated, and marketed specifically for
 29 the purposes of preventing window damage from storms.

30 (xi) Any carbon monoxide detector.

1 (xii) Any blue ice product.

2 (b) For purposes of this Section, "eligible tax exemption period" shall mean
 3 purchases of hurricane-preparedness items or supplies during the last weekend in
 4 May of each year beginning at 12:01 a.m. on Saturday and ending at 11:59 p.m. on
 5 Sunday.

6 B. This Section shall apply if and only if during an eligible tax exemption
 7 period one of the following occurs:

8 (1) Title to or possession of an eligible hurricane-preparedness item or
 9 supply is transferred from a selling dealer to a purchaser.

10 (2) A customer selects an eligible item from the selling dealer's inventory for
 11 layaway that is physically set aside in the selling dealer's inventory for future
 12 delivery to that customer.

13 (3) The customer makes final payment and withdraws an item from layaway
 14 that might have been placed in layaway before the eligible tax exemption period.

15 (4) The customer orders and pays for an eligible item and the selling dealer
 16 accepts the order for immediate shipment, even if delivery is made after the eligible
 17 tax exemption period, provided that the customer has not requested delayed
 18 shipment.

19 C. Eligible items that customers purchase during the eligible tax exemption
 20 period with "rain checks" shall qualify for exemption, regardless of when the "rain
 21 checks" are issued. However, issuance of "rain checks" during the exemption period
 22 shall not qualify items for exemption if the otherwise eligible items are actually
 23 purchased after conclusion of the eligible tax exemption period.

24 D.(1) When a customer purchases an eligible item during the eligible tax
 25 exemption period and exchanges the item without additional cash consideration after
 26 conclusion of the eligible tax exemption period for an essentially identical item of
 27 different size, color, or other failure, no additional tax is due.

28 (2) When a customer, after conclusion of the eligible tax exemption period
 29 returns an eligible item that was purchased during the eligible tax exemption period

1 and receives credit on the purchase of a different item, the appropriate sales tax is
2 due on the purchase of the new item.

3 E. For a sixty-day period after conclusion of the eligible tax exemption
4 period, when a customer returns an item that would qualify for an exemption, no
5 credit or refunds of sales tax shall be given unless the customer provides a receipt or
6 invoice that shows that the state sales tax was paid or the retailer has sufficient
7 documentation that shows that the tax was paid on the specific item. This sixty-day
8 period is not intended to change a dealer's policy concerning the time period during
9 which returns will be accepted.

10 F. The provisions of this Section shall not apply to hurricane-preparedness
11 items or supplies sold at any airport, public lodging establishment or hotel,
12 convenience store, or entertainment complex.

13 Section 2. The secretary of the Department of Revenue is authorized to adopt and
14 promulgate rules for the administration of the provisions of this Act.

15 Section 3. This Act shall become effective on June 30, 2007.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____