
DIGEST

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HB 265 Original

2015 Regular Session

Pugh

Abstract: Specifies that the state sales and use tax on tangible personal property, which is levied and collected on certain remote sellers, is to be levied and collected for the benefit of the local governmental subdivisions and school boards which have constitutional authority to levy sales and use taxes.

Present law imposes a 4% state sales and use tax on tangible personal property which is to be levied and collected from vendors who qualify as dealers in La. solely by virtue of engaging in regular or systematic solicitation of a consumer market in La. by the distribution of catalogs or other advertising, or by means of print, radio or television media, or other communication system.

Present constitution authorizes the governing authority of any local governmental subdivision or school board to levy and collect a tax upon the sale at retail, the use, the lease, or rental, the consumption, and the storage for use or consumption of tangible personal property and on sales of services as defined by law.

Proposed constitutional amendment specifies that the tax imposed by present law is to be levied and collected for the sole benefit of all local governmental subdivisions and school boards which are granted the authority to levy sales and use tax pursuant to present constitution. Further, the avails of such tax, except for an administrative fee that may be imposed, shall be distributed to each parish in a manner to be prescribed by law. Proposed constitutional amendment provides that the transactions taxable under the tax described in proposed constitutional amendment for purposes of that tax only, shall be excluded transactions for purposes of taxing authority of local governments and school boards pursuant to present constitution.

(Adds Const. Art. VII, §3.1)