HLS 17RS-379 ORIGINAL

2017 Regular Session

HOUSE BILL NO. 376

1

BY REPRESENTATIVE IVEY

TAX/SALES-USE-EXEMPT: Excludes certain business utilities from state and local sales and use taxes

AN ACT

2	To enact R.S. 47:301(16)(r), relative to sales and use tax exclusions; to provide for an
3	exclusion from state and local sales and use taxes for certain utilities; to provide for
4	effectiveness; and to provide for related matters.
5	Be it enacted by the Legislature of Louisiana:
6	Section 1. R.S. 47:301(16)(r) is hereby amended and reenacted to read as follows:
7	§301. Definitions
8	As used in this Chapter the following words, terms, and phrases have the
9	meanings ascribed to them in this Section, unless the context clearly indicates a
10	different meaning:
11	* * *
12	(16)
13	* * *
14	(r) For purposes of sales and use taxes imposed by all taxing authorities, the
15	term "tangible personal property" shall not include, when purchased for
16	nonresidential purposes, any of the following:
17	(i) Gasoline.
18	(ii) Steam.
19	(iii) Water.

1 (iv) Electric power or energy sources used to fuel the generation of electric 2 power for resale or used by an industrial manufacturing plant for self-consumption 3 or cogeneration. 4 (v) Natural gas. 5 (vi) Any energy source, except for refinery gas, when that energy source is 6 used for boiler fuel. 7 8 Section 2. This Act shall become effective on July 1, 2017; if vetoed by the governor 9 and subsequently approved by the legislature, this Act shall become effective on July 1, 10 2017, or on the day following such approval by the legislature, whichever is later.

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)]

HB 376 Original

2017 Regular Session

Ivey

Abstract: Excludes from imposition of state and local sales and use taxes certain nonresidential utilities.

<u>Present law</u> provides numerous definitions for and exclusions from imposition of the sales and use tax of state and local taxing authorities.

<u>Present law</u> defines "tangible personal property" to include personal property that may be seen, weighed, measured, felt or touched, or is in any other manner perceptible to the senses.

<u>Proposed law</u> excludes from the definition of "tangible personal property", when purchased for nonresidential purposes, all of the following:

- (1) Gasoline.
- (2) Steam.
- (3) Water.
- (4) Electric power or energy sources used for the generation of electric power for resale or used by an industrial manufacturing plant for self-consumption or cogeneration.
- (5) Natural gas.
- (6) Any energy source, except for refinery gas, when used for boiler fuel.

Effective July 1, 2017.

(Adds R.S. 47:301(16)(r))