2017 Regular Session

HOUSE BILL NO. 626

BY REPRESENTATIVE TALBOT AND SENATOR MARTINY

TAX: Exempts the sale or use of an antique, classic, or vintage motor vehicle held in a private collection from state and local sales and use taxes and imposes a tax on the issuance of a title for such vehicle

| 1 | AN ACT |
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| 2 | To amend and reenact R.S. 32:707(L)(2) and to enact R.S. 47:305.72 and Chapter 4-B of |
| 3 | Subtitle II of Title 47 of the Louisiana Revised Statutes of 1950, comprised of R.S. |
| 4 | 47:552, relative to taxes on certain types of motor vehicles; to impose a state and |
| 5 | local tax on the issuance of a certificate of title for certain antique, classic, or vintage |
| 6 | motor vehicles; to provide for the collection and enforcement of the tax; to establish |
| 7 | an exemption from state and local sales and use taxes for the sale or use of antique, |
| 8 | classic, or vintage motor vehicles; to provide for an effectiveness; and to provide for |
| 9 | related matters. |
| 10 | Be it enacted by the Legislature of Louisiana: |
| 11 | Section 1. R.S. $32:707(L)(2)$ is hereby amended and reenacted to read as follows: |
| 12 | §707. Application for certificates of title; exception; salvage title; antique vehicles; |
| 13 | reconstructed title |
| 14 | * * * |
| 15 | L. The office of motor vehicles shall issue a certificate of title for antique, |
| 16 | classic, or vintage vehicles as defined in this Chapter when there is no current record |
| 17 | of ownership to base the issuance of a new title on, provided: |
| 18 | * * * |

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CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

| 1 | (2) The sales tax based upon purchase price is <u>All applicable taxes, other</u> |
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| 2 | than income taxes, related to the sale, use, or ownership of the vehicle have been |
| 3 | paid. |
| 4 | * * * |
| 5 | Section 2. R.S. 47:305.72 and Chapter 4-B of Subtitle II of Title 47 of the Louisiana |
| 6 | Revised Statutes of 1950, comprised of R.S. 47:552, are hereby enacted to read as follows: |
| 7 | §305.72. Exemption; antique, classic, or vintage motor vehicles |
| 8 | Notwithstanding any other provision of law to the contrary, the sales and use |
| 9 | taxes imposed by the state or any other taxing authority in the state shall not apply |
| 10 | to the sale or use of a motor vehicle which is eligible for the issuance of a certificate |
| 11 | of title for an antique, classic, or vintage motor vehicle pursuant to R.S. 32:707(L). |
| 12 | * * * |
| 13 | CHAPTER 4-B. ANTIQUE, CLASSIC, OR VINTAGE VEHICLE |
| 14 | MOTOR TITLE TAX |
| 15 | <u>§552. Imposition of tax</u> |
| 16 | A. There is hereby levied a state tax of fifty dollars and a local tax of fifty |
| 17 | dollars on the issuance of a certificate of title for a motor vehicle which is eligible |
| 18 | for the issuance of a certificate of title for an antique, classic, or vintage motor |
| 19 | vehicle pursuant to R.S 32:707(L). The tax shall be in addition to any tax, fee, or |
| 20 | license otherwise imposed either directly or indirectly. |
| 21 | B. The state tax shall be payable to the vehicle commissioner as the agent of |
| 22 | the collector of revenue. The tax shall be collected and payment enforced pursuant |
| 23 | to the provisions of Chapter 2 of Subtitle II of Title 47 of the Louisiana Revised |
| 24 | Statutes of 1950 insofar as such provisions are not in conflict with this Section. The |
| 25 | secretary of the Department of Revenue is authorized to promulgate rules and |
| 26 | regulations necessary for the proper administration and enforcement of this Chapter. |
| 27 | $\underline{C.(1)}$ The local tax shall be payable to the vehicle commissioner who shall |
| 28 | collect the tax as an agent of local government. The vehicle commissioner may |

| 1 | assess a collection fee, not to exceed one-half of one percent of the proceeds of the |
|----|---|
| 2 | local tax, as reimbursement for the actual cost of collection. |
| 3 | (2) The vehicle commissioner shall monthly distribute the proceeds of the |
| 4 | tax to the central local sales and use tax collector for the parish or, if none, the parish |
| 5 | governing authority. The central local sales and use tax collector or governing |
| 6 | authority shall distribute, at no charge, the tax proceeds received from the secretary |
| 7 | to each political subdivision in the parish which levies a sales and use tax in |
| 8 | accordance with each such political subdivision's pro rata share of local sales and use |
| 9 | tax receipts collected to the total of all such taxes collected within the parish. |
| 10 | Section 3. This Act shall become effective July 1, 2017. |

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 626 Original2017 Regular SessionTalbot

Abstract: Exempts certain antique, classic, or vintage motor vehicles from state and local sales and use taxes, and imposes a \$50 state tax and a \$50 local tax on the issuance of a certificate of title for such vehicles.

<u>Present law</u> provides that the sale or use of antique, classic, or vintage motor vehicles is subject to state and local sales and use taxes.

<u>Proposed law</u> changes <u>present law</u> by establishing a state and local sales and use tax exemption for the sale or use of antique, classic, or vintage motor vehicles.

<u>Proposed law</u> imposes a \$50 state tax and a \$50 local tax on the issuance of a certificate of title for a motor vehicle which is eligible for the issuance of a certificate of title for an antique, classic, or vintage motor vehicle pursuant to <u>present law</u>.

<u>Proposed law</u> requires the vehicle commissioner to collect both the state and local tax and to remit the local tax to the local tax collector on a monthly basis. Further authorizes the vehicle commissioner to assess a collection fee for collection of the local tax; however, the fee shall not exceed $\frac{1}{2}$ of 1% of the proceeds of the local tax.

Effective July 1, 2017.

(Amends R.S. 32:707(L)(2); Adds R.S. 47:305.72 and 552)