2017 Regular Session

HOUSE BILL NO. 668

BY REPRESENTATIVE STOKES

TAX/SALES & USE: Extends the applicability of certain sales and use tax exemptions to local sales and use taxes

| 1 | AN ACT | |
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| 2 | To amend and reenact R.S. 47:305(A)(2), (5), and (6), and (D)(1)(k) through (m) and (s), | |
| 3 | 305.20(A), 305.25(A)(introductory paragraph) and (B), 305.37(A), 305.63, | |
| 4 | 305.64(A)(1), to enact R.S. 47:305.72, and to repeal R.S. 47:301(16)(n), 305.20(G), | |
| 5 | 305.25(C), 305.37(B), and 337.10(D) and (N), relative to sales and use taxes; to | |
| 6 | provide with respect to certain exemptions and exclusions from tax; to provide for | |
| 7 | applicability of certain exemptions and exclusions from locals sales and use taxes: | |
| 8 | to provide for effectiveness; and to provide for related matters. | |
| 9 | Be it enacted by the Legislature of Louisiana: | |
| 10 | Section 1. R.S. 47:305(A)(2), (5), and (6), and (D)(1)(k) through (m) and (s), | |
| 11 | 305.20(A), 305.25(A)(introductory paragraph) and (B), 305.37(A), 305.63, 305.64(A)(1) are | |
| 12 | hereby amended and reenacted and R.S. 47:305.72 is hereby enacted to read as follows: | |
| 13 | * * * | |
| 14 | §305. Exclusions and exemptions from the tax | |
| 15 | А. | |
| 16 | * * * | |
| 17 | (2)(a) The gross proceeds derived from the sale in this state of livestock at | |
| 18 | public sales sponsored by breeders' or registry associations or livestock auction | |
| 19 | markets are exempted from the sales and use tax levied by the state only or any other | |
| 20 | taxing authority. When public sales of livestock are made to consumers by any | |
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| person other than through a public sale sponsored by a breeders' or registry |
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| association or a livestock auction market, they are not exempted from the sales and |
| use tax imposed by the state or any other taxing authority. This Section shall be |
| construed as exempting race horses entered in races and claimed at any racing meet |
| held in Louisiana, whether the horse claimed was owned by the original breeder or |
| not. |
| (b) The applicability of the exemption provided for in this Paragraph for |
| purposes of the sales and use tax imposed by any taxing authority other than the state |
| shall be phased-in as follows: |
| (i) For the period beginning October 1, 2017, and ending September 30, |
| 2018, the exemption shall apply to twenty-five percent of the amount of the taxable |
| sale. |
| (ii) For the period beginning October 1, 2018, and ending September 30, |
| 2019, the exemption shall apply to fifty percent of the amount of the taxable sale. |
| (iii) For the period beginning October 1, 2019, and ending September 30, |
| 2020, the exemption shall apply to seventy-five percent of taxable sale. |
| (iv) For taxable periods beginning on and after October 1, 2020, the |
| exemption shall apply to one hundred percent of the amount of the taxable sale. |
| * * * |
| (5)(a) Solely for purposes of the sales and use tax levied by the state, such |
| tax shall not apply to the The sale or use of bait, feed, materials, supplies, equipment, |
| fuel, and related items other than vessels used in the production or harvesting of |
| crawfish shall be exempt from sales and use taxes imposed by the state or any other |
| taxing authority. The person who purchases the exempt items shall claim the |
| exemption by executing a certificate at the time of purchase. The Department of |
| Revenue shall provide the certificates to retail merchants. Any merchant who in |
| good faith, and after examination of the applicability of the certificate to that |
| purchase with due care, neglects or fails to collect the tax herein provided, due to the |
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of Revenue, including those issued pursuant to R.S. 47:305.10, shall not be liable for the payment of the tax.

3 (b) Solely for purposes of the sales and use tax levied by the state, such tax 4 shall not apply to the sale or use of bait and feed used in the production or harvesting 5 of crawfish. The person who purchases the exempt items shall claim the exemption 6 by executing a certificate at the time of purchase. The Department of Revenue shall 7 provide the certificates to retail merchants. Any merchant who in good faith, and 8 after examination of the applicability of the certificate to that purchase with due care, 9 neglects or fails to collect the tax herein provided, due to the presentation by the 10 purchaser of a tax exemption certificate issued by the Department of Revenue, 11 including those issued pursuant to R.S. 47:305.10, shall not be liable for the payment 12 of the tax. The applicability of the exemption provided for in this Paragraph for 13 purposes of the sales and use tax imposed by any taxing authority other than the state 14 shall be phased-in as follows:

15 (i) For the period beginning October 1, 2017, and ending September 30,
2018, the exemption shall apply to twenty-five percent of the amount of the taxable
17 sale.

(ii) For the period beginning October 1, 2018, and ending September 30,
2019, the exemption shall apply to fifty percent of the amount of the taxable sale.
(ii) For the period beginning October 1, 2019, and ending September 30,

21 <u>2020, the exemption shall apply to seventy-five percent of taxable sale.</u>
22 (iv) For taxable periods beginning on and after October 1, 2020, the

23 exemption shall apply to one hundred percent of the amount of the taxable sale.

Solely for purposes of the sales and use tax levied by the state, such tax
shall not apply to the (a) The sale or use of materials, supplies, equipment, fuel, bait,
and related items other than vessels used in the production or harvesting of catfish
shall be exempt from sales and use taxes imposed by the state or any other taxing
authority. The person who purchases the exempt items shall claim the exemption by
executing a certificate at the time of purchase. The Department of Revenue shall

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| 1 | provide the certificates to retail merchants. Any merchant who in good faith, and |
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| 2 | after examination of the applicability of the certificate to that purchase with due care, |
| 3 | neglects or fails to collect the tax herein provided, due to the presentation by the |
| 4 | purchaser of a tax exemption certificate issued by the Department of Revenue, shall |
| 5 | not be liable for the payment of the tax. |
| 6 | (b) The applicability of the exemption provided for in this Paragraph from |
| 7 | the sales and use tax imposed by any taxing authority other than the state shall be |
| 8 | phased-in as follows: |
| 9 | (i) For the period beginning October 1, 2017, and ending September 30, |
| 10 | 2018, the exemption shall apply to twenty-five percent of the amount of the taxable |
| 11 | sale. |
| 12 | (ii) For the period beginning October 1, 2018, and ending September 30, |
| 13 | 2019, the exemption shall apply to fifty percent of the amount of the taxable sale. |
| 14 | (iii) For the period beginning October 1, 2019, and ending September 30, |
| 15 | 2020, the exemption shall apply to seventy-five percent of taxable sale. |
| 16 | (iv) For taxable periods beginning on and after October 1, 2020, the |
| 17 | exemption shall apply to one hundred percent of the amount of the taxable sale. |
| 18 | * * * |
| 19 | D.(1) The sale at retail, the use, the consumption, the distribution, and the |
| 20 | storage to be used or consumed in the taxing jurisdiction of the following tangible |
| 21 | personal property is hereby specifically exempted from the tax imposed by taxing |
| 22 | authorities, except as otherwise provided in this Paragraph: |
| 23 | * * * |
| 24 | (k)(i) Solely for purposes of the state sales and use tax, orthotic, Orthotics, |
| 25 | including prescription eyeglasses and contact lenses, and prosthetic devices and |
| 26 | wheelchairs and wheelchair lifts prescribed by physicians, optometrists or licensed |
| 27 | chiropractors for personal consumption or use. |
| 28 | (ii) Solely for purposes of the sales and use tax of political subdivisions, the |
| 29 | sale to, or the purchase by, an individual or by a medical service provider such as a |

| 1 | physician, clinic, surgical center, or other healthcare facility of a prosthetic device |
|----|---|
| 2 | which is sold or purchased with the intention of being personally used or consumed |
| 3 | by individuals pursuant to a prescription by a physician when the individual is |
| 4 | covered by the state of Louisiana Medicaid insurance program or a Medicaid |
| 5 | insurance program administered by a third party on behalf of the state of Louisiana. |
| 6 | The applicability of the exemption provided for in this Subparagraph for purposes |
| 7 | of the sales and use tax imposed by any taxing authority other than the state shall be |
| 8 | phased-in as follows: |
| 9 | (aa) For the period beginning October 1, 2017, and ending September 30, |
| 10 | 2018, the exemption shall apply to twenty-five percent of the amount of the taxable |
| 11 | sale. |
| 12 | (bb) For the period beginning October 1, 2018, and ending September 30, |
| 13 | 2019, the exemption shall apply to fifty percent of the amount of the taxable sale. |
| 14 | (cc) For the period beginning October 1, 2019, and ending September 30, |
| 15 | 2020, the exemption shall apply to seventy-five percent of taxable sale. |
| 16 | (dd) For taxable periods beginning on and after October 1, 2020, the |
| 17 | exemption shall apply to one hundred percent of the amount of the taxable sale. |
| 18 | (1) Solely for purposes of the state sales and use tax, the (i) The sale or |
| 19 | purchase of any ostomy, ileostomy or colostomy device or any other appliance |
| 20 | including catheters or any related item which is required as the result of any surgical |
| 21 | procedure by which an artificial opening is created in the human body for the |
| 22 | elimination of natural waste. |
| 23 | (ii) The applicability of the exemption provided for in this Subparagraph for |
| 24 | purposes of the sales and use tax imposed by any taxing authority other than the state |
| 25 | shall be phased-in as follows: |
| 26 | (aa) For the period beginning October 1, 2017, and ending September 30, |
| 27 | 2018, the exemption shall apply to twenty-five percent of the amount of the taxable |
| 28 | sale. |

| 1 | (bb) For the period beginning October 1, 2018, and ending September 30, |
|----|--|
| 2 | 2019, the exemption shall apply to fifty percent of the amount of the taxable sale. |
| 3 | (cc) For the period beginning October 1, 2019, and ending September 30, |
| 4 | 2020, the exemption shall apply to seventy-five percent of taxable sale. |
| 5 | (dd) For taxable periods beginning on and after October 1, 2020, the |
| 6 | exemption shall apply to one hundred percent of the amount of the taxable sale. |
| 7 | (m) Solely for purposes of the state sales and use tax, patient (i) Patient aids |
| 8 | prescribed by a physician or a licensed chiropractor for home use. |
| 9 | (ii) The applicability of the exemption provided for in this Subparagraph for |
| 10 | purposes of the sales and use tax imposed by any taxing authority other than the state |
| 11 | shall be phased-in as follows: |
| 12 | (aa) For the period beginning October 1, 2017, and ending September 30, |
| 13 | 2018, the exemption shall apply to twenty-five percent of the amount of the taxable |
| 14 | sale. |
| 15 | (bb) For the period beginning October 1, 2018, and ending September 30, |
| 16 | 2019, the exemption shall apply to fifty percent of the amount of the taxable sale. |
| 17 | (cc) For the period beginning October 1, 2019, and ending September 30, |
| 18 | 2020, the exemption shall apply to seventy-five percent of taxable sale. |
| 19 | (dd) For taxable periods beginning on and after October 1, 2020, the |
| 20 | exemption shall apply to one hundred percent of the amount of the taxable sale. |
| 21 | * * * |
| 22 | (s) Solely for purposes of the state sales and use tax, any (i) Any and all |
| 23 | medical devices used exclusively by the patient in the medical treatment of various |
| 24 | diseases or administered exclusively to the patient by a physician, nurse, or other |
| 25 | health care professional or health care facility in the medical treatment of various |
| 26 | diseases under the supervision of and prescribed by a licensed physician. |
| 27 | (ii) The applicability of the exemption provided for in this Subparagraph for |
| 28 | purposes of the sales and use tax imposed by any taxing authority other than the state |
| 29 | shall be phased-in as follows: |

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| 1 | (aa) For the period beginning October 1, 2017, and ending September 30, | | |
|----|---|--|--|
| 2 | 2018, the exemption shall apply to twenty-five percent of the amount of the taxable | | |
| 3 | sale. | | |
| 4 | (bb) For the period beginning October 1, 2018, and ending September 30, | | |
| 5 | 2019, the exemption shall apply to fifty percent of the amount of the taxable sale. | | |
| 6 | (cc) For the period beginning October 1, 2019, and ending September 30, | | |
| 7 | 2020, the exemption shall apply to seventy-five percent of taxable sale. | | |
| 8 | (dd) For taxable periods beginning on and after October 1, 2020, the | | |
| 9 | exemption shall apply to one hundred percent of the amount of the taxable sale. | | |
| 10 | * * * | | |
| 11 | §305.20. Exclusions and exemptions; Louisiana commercial fishermen | | |
| 12 | A. (1) A Louisiana resident, domiciled in Louisiana, who possesses such | | |
| 13 | valid Louisiana commercial fishing license(s) as may be necessary for commercial | | |
| 14 | fishing ventures, including but not limited to a vessel license issued pursuant to R.S. | | |
| 15 | 56:304, and who is an owner of a vessel operated primarily for the conduct of | | |
| 16 | commercial fishing as a trade or business and which the Louisiana Department of | | |
| 17 | Wildlife and Fisheries determines will be predominantly and principally used for | | |
| 18 | commercial fishing ventures and whose catch is for human consumption shall be | | |
| 19 | exempt from state sales, use, lease, and services taxes imposed by the state or any | | |
| 20 | other taxing authority as set forth in Subsection C of this Section. Possession of a | | |
| 21 | commercial fishing license issued by the Department of Wildlife and Fisheries shall | | |
| 22 | not be used as the sole determination that a vessel will be used predominantly and | | |
| 23 | principally for commercial fishing ventures. This exemption shall also apply to | | |
| 24 | facilities which process the catch from owners of commercial fishing vessels for | | |
| 25 | which this exemption is granted when such vessels are owned by, or leased or | | |
| 26 | contracted exclusively to, the seafood processing facility. | | |
| 27 | (2) The applicability of the exemption provided for in this Section for | | |
| 28 | purposes of the sales and use tax imposed by any taxing authority other than the state | | |
| 29 | shall be phased-in as follows: | | |

| 1 | (a) For the period beginning October 1, 2017, and ending September 30, |
|----|--|
| 2 | 2018, the exemption shall apply to twenty-five percent of the amount of the taxable |
| 3 | sale. |
| 4 | (b) For the period beginning October 1, 2018, and ending September 30, |
| 5 | 2019, the exemption shall apply to fifty percent of the amount of the taxable sale. |
| 6 | (c) For the period beginning October 1, 2019, and ending September 30, |
| 7 | 2020, the exemption shall apply to seventy-five percent of taxable sale. |
| 8 | (d) For taxable periods beginning on and after October 1, 2020, the |
| 9 | exemption shall apply to one hundred percent of the amount of the taxable sale. |
| 10 | * * * |
| 11 | §305.25. Exclusions and exemptions; farm equipment |
| 12 | A. The tax imposed by R.S. 47:302(A), 321(A), and 331(A) (1) Taxes |
| 13 | imposed by the state or any other taxing authority with respect to the sale and use of |
| 14 | farm equipment shall apply only to that portion of the sale price in excess of fifty |
| 15 | thousand dollars for each item of farm equipment. The purchaser or his |
| 16 | representative shall provide on any exemption certificate required for this exemption |
| 17 | a certification that the purchaser is a farmer or is purchasing for an agricultural |
| 18 | facility. The department shall hold the purchaser responsible for any taxes due. |
| 19 | (2) The applicability of the exemption provided for in this Section for |
| 20 | purposes of the sales and use tax imposed by any taxing authority other than the state |
| 21 | shall be phased-in as follows: |
| 22 | (a) For the period beginning October 1, 2017, and ending September 30, |
| 23 | 2018, the exemption shall apply to twenty-five percent of the amount of the taxable |
| 24 | sale. |
| 25 | (b) For the period beginning October 1, 2018, and ending September 30, |
| 26 | 2019, the exemption shall apply to fifty percent of the amount of the taxable sale. |
| 27 | (c) For the period beginning October 1, 2019, and ending September 30, |
| 28 | 2020, the exemption shall apply to seventy-five percent of taxable sale. |

| 1 | (d) For taxable periods beginning on and after October 1, 2020, the | |
|----|---|--|
| 2 | exemption shall apply to one hundred percent of the amount of the taxable sale. | |
| 3 | \underline{B} . For the purpose of this Section, "farm equipment" includes the following: | |
| 4 | * * * | |
| 5 | §305.37. Exclusions and exemptions; diesel fuel, butane, propane, or other liquefied | |
| 6 | petroleum gases used for farm purposes | |
| 7 | A. (1) The state taxes imposed by R.S. 47:302(A), R.S. 47:321(A), and R.S. | |
| 8 | 47:331(A) sales and use taxes imposed by the state or any other taxing authority shall | |
| 9 | not apply to diesel fuel, butane, propane, or other liquefied petroleum gases used or | |
| 10 | consumed for farm purposes. The secretary of the Department of Revenue shall | |
| 11 | adopt and promulgate rules and regulations necessary to effectuate the exemptions | |
| 12 | granted by this Section. | |
| 13 | (2) The applicability of the exemption provided for in this Section for | |
| 14 | purposes of the sales and use tax imposed by any taxing authority other than the state | |
| 15 | shall be phased-in as follows: | |
| 16 | (a) For the period beginning October 1, 2017, and ending September 30, | |
| 17 | 2018, the exemption shall apply to twenty-five percent of the amount of the taxable | |
| 18 | sale. | |
| 19 | (b) For the period beginning October 1, 2018, and ending September 30, | |
| 20 | 2019, the exemption shall apply to fifty percent of the amount of the taxable sale. | |
| 21 | (c) For the period beginning October 1, 2019, and ending September 30, | |
| 22 | 2020, the exemption shall apply to seventy-five percent of taxable sale. | |
| 23 | (d) For taxable periods beginning on and after October 1, 2020, the | |
| 24 | exemption shall apply to one hundred percent of the amount of the taxable sale. | |
| 25 | * * * | |
| 26 | §305.63. Exemption; commercial farm irrigation equipment | |
| 27 | A. The sales and use tax imposed by the state of Louisiana and its political | |
| 28 | subdivisions whose boundaries are coterminous with those of the state by the state | |

| 1 | or any other taxing authority shall not apply to the sale of polyroll tubing sold or | |
|----|--|--|
| 2 | used for commercial farm irrigation. | |
| 3 | B. The applicability of the exemption provided for in this Section for | |
| 4 | purposes of the sales and use tax imposed by any taxing authority other than the state | |
| 5 | shall be phased-in as follows: | |
| 6 | (1) For the period beginning October 1, 2017, and ending September 30, | |
| 7 | 2018, the exemption shall apply to twenty-five percent of the amount of the taxable | |
| 8 | sale. | |
| 9 | (2) For the period beginning October 1, 2018, and ending September 30, | |
| 10 | 2019, the exemption shall apply to fifty percent of the amount of the taxable sale. | |
| 11 | (3) For the period beginning October 1, 2019, and ending September 30, | |
| 12 | 2020, the exemption shall apply to seventy-five percent of taxable sale. | |
| 13 | (4) For taxable periods beginning on and after October 1, 2020, the | |
| 14 | exemption shall apply to one hundred percent of the amount of the taxable sale. | |
| 15 | §305.64. Exemption; qualifying radiation therapy treatment centers | |
| 16 | A.(1) (a) The sales and use tax imposed by the state of Louisiana or any | |
| 17 | other taxing authority shall not apply to the amount paid by qualifying radiation | |
| 18 | therapy treatment centers for the purchase, lease, or repair of capital equipment and | |
| 19 | the purchase, lease, or repair of software used to operate capital equipment. Any | |
| 20 | political subdivision of this state, including parishes and municipalities, may elect | |
| 21 | to grant a sales and use tax exemption for the amount paid by qualifying radiation | |
| 22 | therapy treatment centers for the purchase, lease, or repair of capital equipment and | |
| 23 | the purchase, lease, or repair of software used to operate capital equipment. | |
| 24 | (b) The applicability of the exemption provided for in this Paragraph for | |
| 25 | purposes of the sales and use tax imposed by any taxing authority other than the state | |
| 26 | shall be phased-in as follows: | |
| 27 | (1) For the period beginning October 1, 2017, and ending September 30, | |
| 28 | 2018, the exemption shall apply to twenty-five percent of the amount of the taxable | |
| 29 | sale. | |

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| 1 | (2) For the period beginning October 1, 2018, and ending September 30, | |
|----|--|--|
| 2 | 2019, the exemption shall apply to fifty percent of the amount of the taxable sale. | |
| 3 | (3) For the period beginning October 1, 2019, and ending September 30, | |
| 4 | 2020, the exemption shall apply to seventy-five percent of taxable sale. | |
| 5 | (4) For taxable periods beginning on and after October 1, 2020, the | |
| 6 | exemption shall apply to one hundred percent of the amount of the taxable sale. | |
| 7 | * * * | |
| 8 | §305.72. Exemption; machinery and equipment purchased by the owner of a radio | |
| 9 | or television station | |
| 10 | A. Machinery and equipment purchased by the owner of a radio or television | |
| 11 | station located within the state that is licensed by the Federal Communications | |
| 12 | Commission for radio or television broadcasting shall be exempt from the sales and | |
| 13 | use taxes imposed by the state or any other taxing authority if the equipment is | |
| 14 | mandated to maintain a license with the Federal Communications Commission. For | |
| 15 | purposes of this Section, "radio broadcasting" means the sound transmission made | |
| 16 | via electromagnetic waves for direct sound reception by the general public. | |
| 17 | B. The applicability of the exemption provided for in this Paragraph for | |
| 18 | purposes of the sales and use tax imposed by any taxing authority other than the state | |
| 19 | shall be phased-in as follows: | |
| 20 | (1) For the period beginning October 1, 2017, and ending September 30, | |
| 21 | 2018, the exemption shall apply to twenty-five percent of the amount of the taxable | |
| 22 | sale. | |
| 23 | (2) For the period beginning October 1, 2018, and ending September 30, | |
| 24 | 2019, the exemption shall apply to fifty percent of the amount of the taxable sale. | |
| 25 | (3) For the period beginning October 1, 2019, and ending September 30, | |
| 26 | 2020, the exemption shall apply to seventy-five percent of taxable sale. | |
| 27 | (4) For taxable periods beginning on and after October 1, 2020, the | |
| 28 | exemption shall apply to one hundred percent of the amount of the taxable sale. | |

- 1 Section 2. R.S. 47:301(16)(n), 305.20(G), 305.25(C), 305.37(B), and 337.10(D) and
- 2 (N) are hereby repealed in their entirety.
- 3 Section 3. This Act shall take effect on October 1, 2017, and become operative if the
- 4 Act which originated as House Bill No. 562 of this 2017 Regular Session of the Legislature
- 5 is enacted and becomes effective.

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 668 Original | 2017 Regular Session | Stokes |
|-----------------|----------------------|--------|
| | | |

Abstract: Extends applicability of various state sales and use tax exclusions and exemptions to sales and use taxes imposed by local and other taxing authorities.

<u>Proposed law</u> extends applicability of various state sales and use tax exemptions to the taxes imposed by taxing authorities other than the state, with the application phased in over four years, beginning Oct. 1, 2017, when the exemptions would be applicable to 25% of the sale, and with 100% of the sale to be exempt starting Oct. 1, 2020.

<u>Present law</u> establishes an exclusion from state sales and use taxes for machinery and equipment purchased by the owner of a radio station located within La. that is licensed by the Federal Communications Commission for radio broadcasting, if the owner meets certain requirements concerning business ownership and payroll in La.

<u>Proposed law</u> changes <u>present law</u> by changing the preferential tax treatment for machinery and equipment purchased by the owner of a radio station <u>from</u> a state only exclusion <u>to</u> an exemption applicable to taxes imposed by the state or any other taxing authority.

<u>Proposed law</u> repeals requirements concerning radio station ownership domicile and payroll, and requires instead that the machinery and equipment be necessary to maintain a license with the FCC. <u>Proposed law</u> further extends the exemption to machinery and equipment purchased by the owner of a television station.

<u>Present law</u> establishes an exemption from state sales and use taxes for the gross proceeds derived from the sale of livestock at public sales sponsored by breeders' or registry associations or livestock auction markets.

<u>Proposed law</u> retains <u>present law</u> and extends applicability of the exemption for sales of livestock to taxes imposed by any other taxing authority.

<u>Present law</u> establishes an exclusion from state sales and use taxes for the sale or use of bait, feed, materials, supplies, equipment, fuel, and related items other than vessels used in the production or harvesting of crawfish.

<u>Proposed law</u> changes <u>present law</u> by changing the preferential tax treatment for the sale of bait, feed, materials, supplies, equipment, fuel, and related items used in the production or harvesting of crawfish <u>from</u> a state only exclusion <u>to</u> an exemption applicable to taxes imposed by the state or any other taxing authority.

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<u>Present law</u> establishes an exclusion from state sales and use taxes for the sale or use of bait, feed, materials, supplies, equipment, fuel, and related items other than vessels used in the production or harvesting of catfish.

<u>Proposed law</u> changes <u>present law</u> by changing the preferential tax treatment for the sale of bait, feed, materials, supplies, equipment, fuel, and related items used in the production or harvesting of catfish <u>from</u> a state only exclusion <u>to</u> an exemption applicable to taxes imposed by the state or any other taxing authority.

<u>Present law</u> establishes an exemption from state sales and use taxes for the sale of orthotics, including prescription eyeglasses and contact lenses, and prosthetic devices and wheelchairs and wheelchair lifts prescribed by physicians, optometrists or licensed chiropractors for personal consumption or use.

<u>Proposed law</u> retains <u>present law</u> and extends applicability of the exemption for the sale of orthotics to taxes imposed by any other taxing authority.

<u>Present law</u> establishes an exemption from state sales and use taxes for the sale of ostomy, ileostomy or colostomy devices or any other appliance including catheters or any related item which is required as the result of any surgical procedure by which an artificial opening is created in the human body for the elimination of natural waste.

<u>Proposed law</u> retains <u>present law</u> and extends applicability of the exemption for the sale of ostomy and related supplies to taxes imposed by any other taxing authority.

<u>Present law</u> establishes an exemption from state sales and use taxes for the sale of patient aids prescribed by a physician or a licensed chiropractor for home use.

<u>Proposed law</u> retains <u>present law</u> and extends applicability of the exemption for the sale of patient aids to taxes imposed by any other taxing authority.

<u>Present law</u> establishes an exemption from state sales and use taxes for the sale of medical devices used exclusively by the patient in the medical treatment of various diseases or administered exclusively to the patient by a physician, nurse, or other health care professional or health care facility in the medical treatment of various diseases under the supervision of and prescribed by a licensed physician.

<u>Proposed law</u> retains <u>present law</u> and extends applicability of the exemption for the sale of medical devices to taxes imposed by any other taxing authority.

<u>Present law</u> establishes an exemption from state sales and use taxes for the sale of supplies, equipment, materials, repairs, and vessels used by commercial fishermen or a seafood processor who processes the catch of such a fisherman.

<u>Proposed law</u> retains <u>present law</u> and extends applicability of the exemption for the sale of supplies, equipment, and services for the vessel of a commercial fisherman or seafood processor to taxes imposed by any other taxing authority.

<u>Present law</u> establishes an exemption from state sales and use taxes the first \$50,000 of the sales price for farm equipment including tractors, cane harvesters, cane loaders, cotton pickers, combines, haybalers, attachments, sprayers, clippers, cultivators, discs, plows, spreaders, irrigation wells, drives, motors, and other equipment and farm facilities used for the production of food and fiber or for the storage of grain or any materials used to construct such structures on a farm facility.

<u>Proposed law</u> retains <u>present law</u> and extends applicability of the exemption for the sale of a variety of farm implements, equipment, and facilities to taxes imposed by any other taxing authority.

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<u>Present law</u> establishes an exemption from state sales and use taxes for the sale of diesel fuel, butane, propane, or other liquefied petroleum gases used for farm purposes.

<u>Proposed law</u> retains <u>present law</u> and extends applicability of the exemption for the sale of fuel for farm purposes to taxes imposed by any other taxing authority.

<u>Present law</u> establishes an exemption from state sales and use taxes for the sale of polyroll tubing sold or used for commercial farm irrigation.

<u>Proposed law</u> retains <u>present law</u> and extends applicability of the exemption for the sale of polyroll tubing to taxes imposed by any other taxing authority.

<u>Present law</u> establishes an exemption from state sales and use taxes for sales to a qualifying radiation therapy treatment center for the purchase, lease, or repair of capital equipment and the purchase, lease, or repair of software used to operate capital equipment.

<u>Proposed law</u> retains <u>present law</u> and extends applicability of the exemption for purchases by a qualifying radiation therapy center to taxes imposed by any other taxing authority.

Effective Oct. 1, 2017, if House Bill No. 562 of this 2017 R.S. is enacted and becomes effective.

(Amends R.S. 47:305(A)(2), (5), and (6), and (D)(1)(k) through (m) and (s), 305.20(A), 305.25(A)(introductory paragraph) and (B), 305.37(A), 305.63, and 305.64(A)(1); Adds R.S. 47:305.72; Repeals R.S. 47:301(16)(n), 305.20(G), 305.25(C), 305.37(B) and 337.10(D) and (N))