SLS 17RS-174

2017 Regular Session

SENATE BILL NO. 93

## BY SENATORS MILLS AND ALLAIN AND REPRESENTATIVES BARRAS, HUVAL, TERRY LANDRY AND MIGUEZ

TAX/TAXATION. Excludes from repairs to tangible personal property certain preparation and painting of certain aircraft for purposes of sales and use tax aircraft having an FAA registration address outside the state. (7/1/17)

1	AN ACT
2	To enact R.S. 47:301(14)(g)(iv), relative to sales and use tax; to clarify the definition of
3	repairs to tangible personal property; to provide for an effective date; and to provide
4	for related matters.
5	Be it enacted by the Legislature of Louisiana:
6	Section 1. R.S. 47:301(14)(g)(iv) is hereby enacted 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	(14) "Sales of services" means and includes the following:
13	* * *
14	(g)(i) * * *
15	* * *
16	(iv) For purposes of the sales and use tax levied by the state and its
17	political subdivisions, "repair to tangible personal property" shall not include

Page 1 of 2 Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

1	surface preparation, coating, and painting of a fixed or rotary wing military
2	aircraft or certified transport category aircraft so long as the Federal Aviation
3	Administration registration address of the aircraft is not in this state and the
4	following conditions are met:
5	(aa) The surface preparation, coating, and painting is performed due to
6	a change in ownership of the aircraft or a change in the logo or the livery of the
7	owner of the aircraft and is performed within one year of the change.
8	(bb) The surface preparation, coating, and painting is not performed in
9	accordance with a regular maintenance or repair schedule.
10	* * *
11	Section 2. This Act shall become effective on July 1, 2017.

The original instrument was prepared by Leonore F. Heavey. The following digest, which does not constitute a part of the legislative instrument, was prepared by Tammy Waldrop.

## DIGEST 2017 Regular Session

Mills

<u>Present law</u> includes repairs to tangible personal property as one of the services subject to sales and use tax.

<u>Proposed law</u> provides that surface preparation, coating, and painting of a fixed or rotary wing military aircraft or certified transport category aircraft with an FAA registration address outside this state is not a repair for purposes of the imposition of sales and use tax if certain conditions are met.

Effective July 1, 2017.

SB 93 Reengrossed

(Adds R.S. 47:301(14)(g)(iv))

Summary of Amendments Adopted by Senate

## Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the original bill

1. Revises language relative to sales and services that are exempt from sales and use tax, as it relates to aircraft with an FAA registration address outside the state.

Senate Floor Amendments to engrossed bill

1. Revises language to specify those conditions to be met for the work on the aircraft to fall outside the definition of "repair to tangible personal property".

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