The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by James Benton.

SB 206 Engrossed		DIGEST 2017 Regular Session	Morrell
Present law provides for the following exemptions, exclusions and deductions:			
(1)	R.S. 3:84 - License fee and tax liability		
(2)	R.S. 12:425 - Taxation		
(3)	R.S. 22:2065 - Tax exen	iption	
(4)	R.S. 26:345 - Discount on taxes on beverages of low alcoholic content		
(5)	R.S. 47:121 - Exemptions from tax on corporations		
(6)	R.S. 47:633 - Rates of ta	X	
(7)	R.S. 47:713 - Exclusions	and exemptions; casinghead gasoline sold for	r commercial blending
(8)	R.S. 47:716.1 - Exclusio	ns and exemptions; aviation gasoline	
(9)	R.S. 3:147 - Annual lice	nse fees	
(10)	R.S. 3:4684 - Fee to be c	collected for testing, etc.	
(11)	-	nd reporting of taxes; discounts; rules and reg ; redemption of tax stamps	ulations; enforcement;
(12)	R.S. 26:366 - Exported b	peverages not subject to tax	
(13)	R.S. 26:421 - Exempt pr	oducts	
(14)	R.S. 47:158 - Basis for d	lepletion	
(15)	R.S. 47:246 - Corporatio	ons; deduction from net income from Louisia	ana sources
(16)	R.S. 47:287.71 - Modifie	cations to federal gross income	

- (17) R.S. 47:287.73 Modifications to deductions from gross income allowed by federal law
- (18) R.S. 47:287.86 Net operating loss deduction

- (19) R.S. 47:287.501 Exemption from tax on corporations
- (20) R.S. 47:287.521 Farmers' cooperatives; all cooperatives
- (21) R.S. 47:287.732 S Corporations
- (22) R.S. 47:287.738 Other inclusions and exclusions from gross income
- (23) R.S. 47:287.745 Deductions from gross income; depletion
- (24) R.S. 47:632 Taxes payable by owners; lien and privilege created
- (25) R.S. 47:713 Exclusions and exemptions; casinghead gasoline sold for commercial blending
- (26) R.S. 47:716.1 Exclusions and exemptions; aviation gasoline
- (27) R.S. 47:818.14 Exemptions from tax
- (28) R.S. 47:823 Rate of tax

Proposed law eliminates present law on January 1, 2021.

Present law provides the following exemptions, exclusions, and deductions.

- (1) R.S. 47:602 Determination of taxable capital
- (2) R.S. 47:605 Surplus of undivided profits
- (3) R.S. 47:606 Allocation of taxable capital

Proposed law eliminates present law on January 1, 2022.

<u>Proposed law</u> provides that exemptions in state law do not apply to any sales and use tax levied under R.S. 47:302, 321, 321.1, 331, or R.S. 51:1286 except as follows:

- (1) Any exemption which causes the tax to be levied upon a sale which is not a retail sale of, not a use, consumption, distribution, or storage for use or consumption of, or not the lease or rental of, an item or article of tangible personal property.
- (2) The exemption is required by federal law or the Constitution of the United States.
- (3) The exemption is required pursuant to an agreement by the state of Louisiana for the operation of a public facility.

Proposed law provides that the limitation on such exemptions apply to all taxable periods beginning

on or after January 1, 2018.

Effective August 1, 2017.

(Amends R.S. 3:84 and 147, R.S. 12:425, R.S. 22:2065, R.S. 26:345, R.S. 47:121, 713 and 716.1; adds R.S. 3:4684(C), R.S. 26:354(L), 366(C) and 421(F), R.S. 47:158(I), 246(H), '287.71(C), 287.73(D), 287.86(F), 287.501(C), 287.521(C), 287.732(D), 287.738(H), 287.745(C), 602(I), 605(D), 606(G), 632(C), 633.1, 818.14 and 823(F))

Summary of Amendments Adopted by Senate

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

- 1. Adds R.S. 47:818.14 (Exemptions from tax) to the list of exemptions, exclusions and deduction that shall terminate beginning January 1, 2021.
- 2. Adds sunset date for exclusions, exemptions, and deductions contained in R.S. 47:602, 605, and 606 to January 1, 2022.