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

SB 16	6 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 exemption		
(4)	R.S. 26:345 - Discount on taxe	es on beverages of low alcoholic content	
(5)	R.S. 47:48 - Exclusion from grobligations	ross income; interest on Louisiana state or local go	vernment
(6)	R.S. 47:51 - Exclusions from g	gross income; governmental subsidies	
(7)	R.S. 47:121 - Exemptions from	n tax on corporations	
(8)	R.S. 47:633 - Rates of tax		
(9)	R.S. 47:713 - Exclusions and ex	emptions; casinghead gasoline sold for commercia	lblending
(10)	R.S. 47:716.1 - Exclusions and	l exemptions; aviation gasoline	
(11)	R.S. 3:147 - Annual license fee	es	
(12)	R.S. 3:4684 - Fee to be collect	ed for testing, etc.	
(13)	R.S. 26:354 - Payment and report forfeitures and penalties; reder	orting of taxes; discounts; rules and regulations; enfo nption of tax stamps	orcement;
(14)	R.S. 26:366 - Exported bevera	ges not subject to tax	
(15)	R.S. 26:421 - Exempt products	3	
(16)	R.S. 45:1177 - Inspection a Supervision Fund	nd supervision fees; Utility and Carrier Inspec	ction and

(17) R.S. 47:158 - Basis for depletion

- (18) R.S. 47:246 Corporations; deduction from net income from Louisiana sources
- (19) R.S. 47:287.71 Modifications to federal gross income
- (20) R.S. 47:287.73 Modifications to deductions from gross income allowed by federal law
- (21) R.S. 47:287.86 Net operating loss deduction
- (22) R.S. 47:287.501 Exemption from tax on corporations
- (23) R.S. 47:287.521 Farmers' cooperatives; all cooperatives
- (24) R.S. 47:287.732 S Corporations
- (25) R.S. 47:287.738 Other inclusions and exclusions from gross income
- (26) R.S. 47:287.745 Deductions from gross income; depletion
- (27) R.S. 47:602 Determination of taxable capital
- (28) R.S. 47:605 Surplus and undivided profits
- (29) R.S. 47:606 Allocation of taxable capital
- (30) R.S. 47:632 Taxes payable by owners; lien and privilege created
- (31) R.S. 47:713 Exclusions and exemptions; casinghead gasoline sold for commercial blending
- (32) R.S. 47:716.1 Exclusions and exemptions; aviation gasoline
- (33) R.S. 47:818.14 Exemptions from tax
- (34) R.S. 47:823 Rate of tax

Proposed law eliminates present law on January 1, 2021.

<u>Proposed law</u> provides that exclusions or 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 exclusion or 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 exclusion or exemption is required by federal law or the Constitution of the United States.

(3) The exclusion or exemption is required pursuant to an agreement by the state of Louisiana for the operation of a public facility.

<u>Proposed law</u> provides that the limitation on such exclusions or 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. 47:48, 51, 121, 713, 716.1 and 818.14(A)(3); adds R.S. 3:4684(C), R.S. 26:354(L), 366(C) and 421(F), R.S. 45:1177(D), 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, 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 in 2021.
- 2. Makes technical changes.