SLS 19RS-95

## ORIGINAL

2019 Regular Session

SENATE BILL NO. 45

BY SENATOR JOHNS AND REPRESENTATIVE MOSS

TAX/SALES. Provides for a state sales tax exemption for certain purchases of motor vehicles for the use or transportation of persons with permanent orthopedic disabilities. (10/1/19)

1	AN ACT
2	To enact R.S. 47:302(BB)(110), 305.72, 321(P)(111), 321.1(I)(111), 331(V)(111), and
3	337.10(P), relative to sales and use tax exemptions; to exempt certain purchases of
4	motor vehicles and motor vehicle modifications for use by persons with permanent
5	orthopedic disabilities from state sales and use tax; to authorize an exemption from
6	local sales and use taxes; to provide for an effective date; and to provide for related
7	matters.
8	Be it enacted by the Legislature of Louisiana:
9	Section 1. R.S. 47:302(BB)(110), 305.72, 321(P)(111), 321.1(I)(111), 331(V)(111),
10	and 337.10(P) are hereby enacted to read as follows:
11	§302. Imposition of tax
12	* * *
13	BB. Notwithstanding any other provision of law to the contrary, including but
14	not limited to any contrary provisions of this Chapter, beginning July 1, 2018,
15	through June 30, 2025, there shall be no exemptions and no exclusions to the tax
16	levied pursuant to the provisions of this Section, except for the retail sale, use,
17	consumption, distribution, or storage for use or consumption of the following:

Page 1 of 5 Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

1	* * *
2	(110) Motor vehicles for use by persons with permanent orthopedic
3	disabilities as provided in R.S. 47:305.72.
4	* * *
5	§305.72. Exemption; motor vehicles for use by persons with permanent
6	orthopedic disabilities
7	A. The sales and use tax imposed by the state of Louisiana and its
8	political subdivisions whose boundaries are coterminous with the state shall not
9	apply to the purchase of a motor vehicle by an individual that has been or will
10	be modified for operation by, or for the transportation of, a person who is
11	permanently orthopedically disabled at the time of purchase, and which is
12	primarily driven by or used for the transportation of such person. The
13	modifications shall be made in accordance with a prescription issued for the
14	person by a physician, a licensed chiropractor, or a driver rehabilitation
15	specialist licensed by the state. Any political subdivision authorized by the
16	constitution and laws of this state to levy and impose a sales and use tax may
17	apply this exemption to all or part of the sales and use tax levied and imposed
18	by the political subdivision.
19	<b>B.</b> For purposes of this Section:
20	(1)"Orthopedically disabled" means a person who has permanent,
21	limited movement of body extremities and loss of physical functions. The
22	physical impairment shall be such that the person is either unable to operate or
23	be transported in a reasonable manner in a motor vehicle that has not been
24	specially modified.
25	(2) "Modifications of a vehicle for the purpose of transporting a person
26	with an orthopedic disability" shall include installation of such items as a
27	wheelchair lift, hoist, attached ramp, wheelchair hold-down clamps, or special
28	seat restraints other than conventional seat belts to allow for the transportation
29	of a person with an orthopedic disability in a reasonable manner.

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1	(3) "Modifications of a vehicle for operation by a person with an
2	orthopedic disability" shall include altering such items as the conventional
3	brake, acceleration, or steering systems to facilitate the operation of the vehicle
4	by a person with an orthopedic disability, and the installation of such items as
5	a wheelchair lift, hoist, or attached ramp to allow a person with an orthopedic
6	disability to enter the motor vehicle.
7	(4) "Motor vehicle" shall not include vehicles purchased for resale or
8	lease, or vehicles used for nonpersonal, business, or commercial purposes
9	including ambulances, or travel trailers, or other vehicles not designed to
10	transport people.
11	C.(1) To be eligible for the exemption, the purchaser shall request an
12	exemption certificate in the form and manner prescribed by the secretary. A
13	purchaser who requests an exemption certificate shall provide to the secretary
14	the prescription requiring the vehicle modifications for which the exemption is
15	requested, and a letter from the physician, chiropractor, or driver rehabilitation
16	specialist describing the orthopedic disability, which requires such
17	modifications, and at the discretion of the secretary, provide documentation
18	evidencing the proposed purchase price of the vehicle, the proposed
19	modifications to the vehicle, and an estimate of the cost of the proposed
20	modifications.
21	(2) The secretary, in regulations adopted in consultation with the
22	Louisiana Department of Health, may provide for a method for the review by
23	appropriate personnel of the department of the prescriptions, letters, and other
24	documentation that the secretary deems necessary that are submitted with the
25	requests for exemption.
26	* * *
27	§321. Imposition of tax
28	* * *
29	P. Notwithstanding any other provision of law to the contrary, including but

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1	not limited to any contrary provisions of this Chapter, beginning July 1, 2018,
2	through June 30, 2025, there shall be no exemptions and no exclusions to the tax
3	levied pursuant to the provisions of this Section, except for the retail sale, use,
4	consumption, distribution, or storage for use or consumption of the following:
5	* * *
6	(111) Motor vehicles for use by persons with permanent orthopedic
7	disabilities as provided in R.S. 47:305.72.
8	* * *
9	§321.1. Imposition of tax
10	* * *
11	I. Notwithstanding any other provision of law to the contrary, including but
12	not limited to any contrary provisions of this Chapter, beginning July 1, 2018,
13	through June 30, 2025, there shall be no exemptions and no exclusions to the tax
14	levied pursuant to the provisions of this Section, except for the retail sale, use,
15	consumption, distribution, or storage for use or consumption of the following:
16	* * *
17	(111) Motor vehicles for use by persons with permanent orthopedic
18	disabilities as provided in R.S. 47:305.72.
19	* * *
20	§331. Imposition of tax
21	* * *
22	V. Notwithstanding any other provision of law to the contrary, including but
23	not limited to any contrary provisions of this Chapter, beginning July 1, 2018,
24	through June 30, 2025, there shall be no exemptions and no exclusions to the tax
25	levied pursuant to the provisions of this Section, except for the retail sale, use,
26	consumption, distribution, or storage for use or consumption of the following:
27	* * *
28	(111) Motor vehicles for use by persons with permanent orthopedic
29	disabilities as provided in R.S. 47:305.72.

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1	* * *
2	§337.10. Optional exclusions and exemptions
3	* * *
4	P. As provided for in R.S. 47:305.72, any political subdivision authorized
5	by the constitution and laws of this state to levy and impose a sales and use tax
6	may by ordinance or resolution apply the exemption for motor vehicles for use
7	by persons with permanent orthopedic disabilities to all or part of the sales and
8	use tax levied and imposed by the political subdivision.
9	Section 2. This Act shall become effective on October 1, 2019.

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

	DIGEST	
SB 45 Original	2019 Regular Session	Johns

<u>Proposed law</u> exempts motor vehicles and modifications for use by persons with permanent orthopedic disabilities from state sales and use tax.

<u>Proposed law</u> authorizes political subdivisions to apply all or part of the exemption to local sales and use taxes.

<u>Proposed law</u> provides definitions for permanent orthopedic disability, vehicle, and modifications to which the exemption applies.

<u>Present law</u> provides the exclusive list of state sales and use tax exemptions applicable until July 1, 2025.

<u>Proposed law</u> adds the exemption for purchases of motor vehicles and modifications for use by persons with permanent orthopedic disabilities to the list of applicable state sales and use tax exemptions.

<u>Proposed law</u> authorizes local government taxing authorities to exempt all or part of the purchase of motor vehicles and modifications for use by persons with permanent orthopedic disabilities from local sales and use tax.

Effective October 1, 2019.

(Adds R.S. 47:302(BB)(110), 305.72, 321(P)(111), 321.1(I)(111), 331(V)(111), and 337.10(P))