
DIGEST

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HB 556 Engrossed

2019 Regular Session

Hodges

Abstract: Authorizes a rebate of state sales and use taxes paid on materials and supplies used to elevate new homesteads at least one foot above the base flood elevation requirement as established by the Federal Emergency Management Agency (FEMA) or local ordinances.

Proposed law authorizes a rebate of state sales and use taxes paid by a homeowner or contractor on behalf of a homeowner for the purchase of materials and supplies purchased on or after July 1, 2019, used to elevate new homesteads. The structure elevation must be at least one foot above the FEMA or local ordinance requirements to be eligible for the rebate.

Proposed law defines "base flood elevation" as the regulatory requirement for the elevation or floodproofing of structures.

Proposed law defines "elevation certificate" as a certificate completed by a state licensed professional land surveyor, professional engineer, or registered architect that verifies the elevation data of a structure on a property relative to the ground level.

Proposed law defines "materials and supplies" as tangible personal property such as fill materials, including dirt and concrete, extension materials for foundation walls, wire mesh for reinforcement, bricks, concrete blocks, piers, posts, and columns. Proposed law further defines "materials and supplies" to include methods used to elevate or extend foundation walls, elevate on slab-on-grade foundations, elevate by abandoning the lower enclosed area, and elevate on an open foundation.

Proposed law defines "structure elevation" as purchases of materials and supplies necessary to physically raise a new homestead to the base flood elevation or higher. However, structure elevation shall not include purchases of materials and supplies acquired with funds from federal or state grants or proceeds from federal programs.

Proposed law requires the parish permit office to ensure the structure elevation is at least one foot above the base flood elevation and certify and file the elevation certificate. However, if the parish permit board does not have the capability to certify the structure's elevation then a licensed professional land surveyor may provide the certification.

Proposed law requires that application for the payment of the rebate be filed no later than six months after the completion of the project. Further, proposed law requires that within 60 days of receiving the rebate request that the Dept. of Revenue rebate 80% of the amount claimed in the request. After six months, the Dept. of Revenue shall rebate the remaining 20% of eligible state sales tax.

Proposed law authorizes the Dept. of Revenue to promulgate rules and regulations to implement the provisions of proposed law.

Effective July 1, 2019.

(Adds R.S. 47:305.72)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the original bill:

1. Clarify that the rebate applies to new homes.
2. Define "materials and supplies" for purposes of the rebate established in proposed law.
3. Allow a licensed land surveyor to provide certification of the structure's elevation in parishes where the parish permit board does not have the capability to issue the certificate.
4. Clarify that qualifying purchases of materials and supplies must be made on or after July 1, 2019, and are applicable to purchases for new homes.
5. Excludes materials and supplies purchased with state or federal grant funds from being eligible for the rebate.