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DIGEST

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HB 438 Engrossed

2022 Regular Session

Bacala

**Abstract:** Reduces the rate of the temporary state sales and use tax from 0.45% to 0.15% over a two-year period beginning July 1, 2023, through June 30, 2025.

Present law imposes a 0.45% state sales and use tax on the sale, use, consumption, storage, or lease of tangible personal property and certain services in La. The imposition of the tax expires on June 30, 2025.

Proposed law reduces the rate of the temporary state sales and use tax levy from 0.45% to 0.15% over a two-year period as follows:

- (1) Beginning July 1, 2023, through June 30, 2024, from .45% to 0.30% .
- (2) Beginning July 1, 2024, through June 30, 2025, from .30% to 0.15% .

Present law establishes a variety of exclusions and exemptions applicable to state sales and use tax.

Proposed law retains present law.

Effective July 1, 2022.

(Amends R.S. 47:321.1(A), (B), and (C))

Summary of Amendments Adopted by House

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

1. Change the reduction in the temporary state sales tax rate from a one-time reduction of .010% to a 0.30% reduction over a two-year period beginning July 1, 2023, through June 30, 2025, by reducing the rate 0.15% each year beginning on July 1 of each year.