

2023 Regular Session

HOUSE BILL NO. 62

BY REPRESENTATIVE BACALA

TAX/SALES & USE: Reduces the rate of the state sales and use tax

1 AN ACT

2 To amend and reenact R.S. 47:321.1(A), (B), and (C), relative to state sales and use taxes;
3 to provide for the tax rate; to provide for an effective date; and to provide for related
4 matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 47:321.1(A), (B), and (C) are hereby amended and reenacted to read
7 as follows:

8 §321.1. Imposition of tax

9 A. In addition to the tax levied by R.S. 47:302(A), 321(A), and 331(A) and
10 collected under the provisions of Chapter 2 of this Subtitle, there is hereby levied an
11 additional tax upon the sale at retail, the use, the consumption, the distribution, and
12 the storage for use or consumption in this state of each item or article of tangible
13 personal property as defined in Chapter 2 of this Subtitle. The levy of said tax shall
14 be as follows:

15 (1) ~~At (a) Through June 30, 2024, at~~ the rate of forty-five hundredths of one
16 percent of the sales price of each item or article of tangible personal property when
17 sold at retail in this state, the tax to be computed on gross sales for the purpose of
18 remitting the amount of tax to the state, and to include each and every retail sale.

19 (b) Beginning July 1, 2024, through June 30, 2025, at the rate of twenty-five
20 hundredths of one percent of the sales price of each item or article of tangible

1 personal property when sold at retail in this state, the tax to be computed on gross
2 sales for the purpose of remitting the amount of tax to the state, and to include each
3 and every retail sale.

4 (2) ~~At~~ (a) Through June 30, 2024, at the rate of forty-five hundredths of one
5 percent of the cost price of each item or article of tangible personal property when
6 the same is not sold but is used, consumed, distributed, or stored for use or
7 consumption in this state, provided that there shall be no duplication of the tax.

8 (b) Beginning July 1, 2024, through June 30, 2025, at the rate of twenty-five
9 hundredths of one percent of the cost price of each item or article of tangible
10 personal property when the same is not sold but is used, consumed, distributed, or
11 stored for use or consumption in this state, provided that there shall be no duplication
12 of the tax.

13 B. In addition to the tax levied by R.S. 47:302(B), 321(B), and 331(B) and
14 collected under the provisions of Chapter 2 of this Subtitle, there is hereby levied a
15 tax upon the lease or rental within this state of each item or article of tangible
16 personal property, as defined by Chapter 2 of this Subtitle; the levy of the tax to be
17 as follows:

18 (1) ~~At~~ (a) Through June 30, 2024, at the rate of forty-five hundredths of one
19 percent of the gross proceeds derived from the lease or rental of tangible personal
20 property, as defined in Chapter 2 of this Subtitle, where the lease or rental of such
21 property is in an established business, or part of an established business, or the same
22 is incidental or germane to the business.

23 (b) Beginning July 1, 2024, through June 30, 2025, at the rate of twenty-five
24 hundredths of one percent of the gross proceeds derived from the lease or rental of
25 tangible personal property, as defined in Chapter 2 of this Subtitle, where the lease
26 or rental of such property is in an established business, or part of an established
27 business, or the same is incidental or germane to the business.

28 (2) ~~At~~ (a) Through June 30, 2024, at the rate of forty-five hundredths of one
29 percent of the monthly lease or rental price paid by a lessee or rentee, or contracted

1 or agreed to be paid by a lessee or rentee to the owner of the tangible personal
2 property.

3 (b) Beginning July 1, 2024, through June 30, 2025, at the rate of twenty-five
4 hundredths of one percent of the monthly lease or rental price paid by a lessee or
5 rentee, or contracted or agreed to be paid by a lessee or rentee to the owner of the
6 tangible personal property.

7 C. In addition to the tax levied on sales of services by R.S. 47:302(C),
8 321(C), and 331(C) and collected under the provisions of Chapter 2 of this Subtitle,
9 there is hereby levied a tax upon all sales of services in this state, as those services
10 are defined by Chapter 2 of this Subtitle, ~~at~~ . The levy of the tax shall be as follows:

11 (1) Through June 30, 2024, at the rate of forty-five hundredths of one percent
12 of the amounts paid or charged for the services.

13 (2) Beginning July 1, 2024, through June 30, 2025, at the rate of twenty-five
14 hundredths of one percent of the amounts paid or charged for the services.

15 * * *

16 Section 2. This Act shall become effective upon signature by the governor or, if not
17 signed by the governor, upon expiration of the time for bills to become law without signature
18 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
19 vetoed by the governor and subsequently approved by the legislature, this Act shall become
20 effective on the day following such approval.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 62 Original

2023 Regular Session

Bacala

Abstract: Reduces the rate of the temporary state sales and use tax from 0.45% to 0.25% beginning July 1, 2024.

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 0.25% beginning July 1, 2024.

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

Proposed law retains present law.

Effective upon signature of governor or lapse of time for gubernatorial action.

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