

2023 Regular Session

HOUSE BILL NO. 330

BY REPRESENTATIVE MIKE JOHNSON

TAX/SALES-USE-EXEMPT: Exempts from state and local sales and use tax agricultural fencing materials and trailers acquired by commercial farmers

1 AN ACT

2 To amend and reenact R.S. 47:337.9(D)(35), to enact R.S. 47:302(BB)(119), 305.79,

3 321(P)(120), 321.1(I)(120), 331(V)(120), and 337.9(D)(36), and to repeal R.S.

4 47:305.77, relative to sales and use tax exemptions and rebates; to repeal provisions

5 establishing a state sales and use tax rebate for the purchase of certain items by

6 commercial farmers; to provide for a state and local sales and use tax exemption for

7 the purchase, lease, or rental of certain items by commercial farmers; to exempt from

8 state and local sales and use tax certain agricultural fencing materials and trailers

9 purchased, leased, or rented by commercial farmers; to provide for a limitation

10 associated with the exemption; to provide for definitions; to provide for applicability;

11 to authorize administrative rulemaking; to provide for effective dates; and to provide

12 for related matters.

13 Be it enacted by the Legislature of Louisiana:

14 Section 1. R.S. 47:337.9(D)(35) is hereby amended and reenacted and R.S.

15 47:302(BB)(119), 305.79, 321(P)(120), 321.1(I)(120), 331(V)(120), and 337.9(D)(36) are

16 hereby enacted to read as follows:

17 §302. Imposition of tax

18 * * *

19 BB. Notwithstanding any other provision of law to the contrary, including

20 but not limited to any contrary provisions of this Chapter, beginning July 1, 2018,

1 through June 30, 2025, there shall be no exemptions and no exclusions to the tax
2 levied pursuant to the provisions of this Section, except for the retail sale, use,
3 consumption, distribution, or storage for use or consumption of the following:

4 * * *

5 (119) Agricultural fencing materials and trailers purchased, leased, or rented
6 by commercial farmers as provided in R.S. 47:305.79.

7 * * *

8 §305.79. Exemptions; certain agricultural fencing materials

9 A. The sales and use tax imposed by the state of Louisiana or any political
10 subdivision of the state shall not apply to the purchase, lease, or rental by
11 commercial farmers of agricultural fencing materials or trailers. However, no
12 exemption shall be granted for any purchase for which a rebate was issued in
13 accordance with R.S. 47:305.77.

14 B. For purposes of this Section, the following terms shall have the meanings
15 ascribed to them in this Subsection:

16 (1) "Agricultural fencing materials" means materials used for the enclosure
17 of lands used for agricultural purposes in the production of food and fiber.

18 (2) "Commercial farmer" has the same meaning as provided in R.S. 47:301.

19 (3) "Trailer" means any vehicle which meets the definition of "trailer"
20 provided in R.S. 32:1 and is purchased, leased, or rented by a commercial farmer for
21 exclusive use in agricultural production or to transport farm products from his farm
22 to a place where he transfers ownership of the farm products to another.

23 C. The secretary of the Department of Revenue may promulgate rules in
24 accordance with the Administrative Procedure Act as are necessary to implement the
25 provisions of this Section.

26 * * *

27 §321. Imposition of tax

28 * * *

1 P. Notwithstanding any other provision of law to the contrary, including but
2 not limited to any contrary provisions of this Chapter, beginning July 1, 2018,
3 through June 30, 2025, there shall be no exemptions and no exclusions to the tax
4 levied pursuant to the provisions of this Section, except for the retail sale, use,
5 consumption, distribution, or storage for use or consumption of the following:

6 * * *

7 (120) Agricultural fencing materials and trailers purchased, leased, or rented
8 by commercial farmers as provided in R.S. 47:305.79.

9 * * *

10 §321.1. Imposition of tax

11 * * *

12 I. Notwithstanding any other provision of law to the contrary, including but
13 not limited to any contrary provisions of this Chapter, beginning July 1, 2018,
14 through June 30, 2025, there shall be no exemptions and no exclusions to the tax
15 levied pursuant to the provisions of this Section, except for the retail sale, use,
16 consumption, distribution, or storage for use or consumption of the following:

17 * * *

18 (120) Agricultural fencing materials and trailers purchased, leased, or rented
19 by commercial farmers as provided in R.S. 47:305.79.

20 * * *

21 §331. Imposition of tax

22 * * *

23 V. Notwithstanding any other provision of law to the contrary, including but
24 not limited to any contrary provisions of this Chapter, beginning July 1, 2018,
25 through June 30, 2025, there shall be no exemptions and no exclusions to the tax
26 levied pursuant to the provisions of this Section, except for the retail sale, use,
27 consumption, distribution, or storage for use or consumption of the following:

28 * * *

- (1) "Agricultural fencing materials" means materials used for the enclosure of lands used for agricultural purposes in the production of food and fiber.
- (2) "Commercial farmer" has the same meaning as provided in present law (R.S. 47:301).
- (3) "Trailer" means any vehicle which meets the definition of "trailer" provided in present law (R.S. 32:1) and is purchased, leased, or rented by a commercial farmer for exclusive use in agricultural production or to transport farm products from his farm to a place where he transfers ownership of the farm products to another.

Proposed law establishing the state and local sales and use tax exemption becomes effective Aug. 1, 2023, and applies to taxable periods beginning on or after that date.

Present law (R.S. 47:305.77) provides for a state sales and use tax rebate for agricultural fencing materials purchased on or before Dec. 31, 2022, by commercial farmers recovering from certain hurricanes that impacted this state in 2020 and 2021. Allows farmers to apply for the rebate until Dec. 31, 2023, and provides that no rebates shall be issued for applications submitted after that date. Effective Aug. 1, 2024, proposed law repeals present law.

(Amends R.S. 47:337.9(D)(35); Adds R.S. 47:302(BB)(119), 305.79, 321(P)(120), 321.1(I)(120), 331(V)(120), and 337.9(D)(36); Repeals R.S. 47:305.77)