

2024 Third Extraordinary Session

HOUSE BILL NO. 9

BY REPRESENTATIVE RISER

TAX/SALES & USE: Provides for sales and use tax on certain services (Items #8 and 13)

1 AN ACT

2 To amend and reenact R.S. 47:301(14)(introductory paragraph), to enact R.S.
3 47:301(4)(f)(iv) and 301.3, and to repeal R.S. 47:301(14)(a) through (k) and
4 (29)(x)(viii), relative to sales and use tax; to provide for definitions; to provide for
5 sales and use tax on certain services; to provide for certain exemptions from sales
6 and use tax; to provide for effectiveness; to provide for applicability; and to provide
7 for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 47:301(14)(introductory paragraph) is hereby amended and reenacted
10 and R.S. 47:301(4)(f)(iv) and 301.3 are hereby enacted to read as follows:

11 §301. Definitions

12 As used in this Chapter, the following words, terms, and phrases have the
13 meanings ascribed to them in this Section, unless the context clearly indicates a
14 different meaning:

15 * * *

16 (4) "Dealer" includes every person who manufactures or produces tangible
17 personal property for sale at retail, for use, or consumption, or distribution, or for
18 storage to be used or consumed in a taxing jurisdiction. "Dealer" is further defined
19 to mean:

20 * * *

1 (f)

2 * * *

3 (iv)(aa) Solely for purposes of the sale of services which were not subject to
4 sales and use tax in this state prior to January 1, 2025, the term "dealer" shall not
5 include any person who sells a taxable service and whose gross revenue from the sale
6 of services does not exceed, or is not reasonably expected to exceed, ten thousand
7 dollars during the current calendar year. When a person's gross revenue from the
8 sale of services which were not subject to sales and use tax in this state prior to
9 January 1, 2025, exceeds ten thousand dollars during a calendar year, the person
10 shall be deemed a dealer and shall be subject to the responsibilities and requirements
11 of registration, collection, reporting, and remittance of sales tax on all sales of
12 services occurring thereafter.

13 (bb) The exception provided for in Subitem (aa) of this Item shall not apply
14 to any person who, in addition to selling services, sells tangible personal property or
15 taxable digital products or any person whose gross revenue from the sale of services
16 exceeded ten thousand dollars in any previous calendar year.

17 * * *

18 (14) "Sales of services" means the furnishing, receiving, or sale of one or
19 more of the services provided for in this Chapter for a consideration. ~~and includes~~
20 ~~the following:~~

21 * * *

22 §301.3. Services

23 A. For purposes of this Section, the following terms shall have the meanings
24 ascribed to them in this Subsection unless the context indicates otherwise:

25 (1) "Accommodations intermediary" means a person other than the owner,
26 operator, or manager of a room, suite, condominium, townhouse, rental house, or
27 other accommodation.

28 (2) "Capital improvement" means one or more of the following:

29 (a) New construction, reconstruction, or remodeling.

1 (b) Performance of work that requires the issuance of a permit, other than
2 repair or replacement of electrical components, gas logs, water heaters, and similar
3 individual items that are not part of new construction, reconstruction, or remodeling.

4 (c) Installation of a transmission, distribution, or other network asset on
5 immovable property owned by a service provider or on a right-of-way or easement
6 in favor of a service provider. For purposes of this Subparagraph, the term "service
7 provider" means a person, including a governmental entity, who provides any of the
8 following services:

9 (i) Telecommunications service or ancillary services.

10 (ii) Video programming.

11 (iii) Electricity or piped natural gas.

12 (iv) Water or sewer service.

13 (d) Installation of equipment or a fixture that is attached to immovable
14 property and that meets one or more of the following conditions:

15 (i) It is capitalized and depreciated under Generally Accepted Accounting
16 Principles or International Financial Reporting Standards.

17 (ii) It is depreciated under the Internal Revenue Code.

18 (iii) It is expensed under I.R.C. §179.

19 (e) Painting or wallpapering of immovable property, except where painting
20 or wallpapering is incidental to the repair, maintenance, and installation services.

21 (f) Replacement or installation of a septic tank system, siding, roof,
22 plumbing, electrical, commercial refrigeration, irrigation, sprinkler, or other similar
23 system. The term does not include the repair, replacement, or installation of electrical
24 or plumbing components, water heaters, gutters, and similar individual items that are
25 not part of new construction, reconstruction, or remodeling.

26 (g) Replacement or installation of a heating or air conditioning unit or a
27 heating, ventilation, or air conditioning system. The term does not include the repair,
28 replacement, or installation of gas logs, water heaters, pool heaters, and similar
29 individual items that are not part of new construction, reconstruction, or remodeling.

1 (h) Replacement or installation of roads, driveways, parking lots, patios,
2 decks, and sidewalks.

3 (i) Services performed to resolve an issue that was part of an immovable
4 property contract if the services are performed within six months of completion of
5 the immovable property contract or, for new construction, within twelve months of
6 the new structure being occupied for the first time.

7 (j) An addition or alteration to immovable property that is permanently
8 affixed or installed to immovable property and is not an activity specifically listed
9 in Paragraph (B)(16) of this Section as repair, maintenance, and installation services.

10 (3) "Coin-operated" means that activation and operation of a device occurs
11 pursuant to a purchaser providing the device with a payment or payment indicator.
12 Examples of coin-operated devices include but are not limited to devices that can be
13 operated pursuant to insertion of a coin, paper currency, credit card, or token,
14 swiping of a card, entering of a code, or remittance of an electronic payment.

15 (4) "Furnishing" means brokering, coordinating, making available for, or
16 otherwise arranging for the sale or use of a room, suite, condominium, townhouse,
17 rental house, or other accommodation by a purchaser.

18 (5) "Immovable property contract" means a contract between an immovable
19 property contractor and another person to perform a capital improvement to
20 immovable property.

21 (6) "Information services" means all of the following:

22 (a) Collecting, compiling, analyzing, or furnishing of information of any
23 kind, including but not limited to general or specialized news, other current
24 information, or financial information by printed, mimeographed, electronic, or
25 electrical transmission, or by utilizing wires, cable, radio waves, microwaves,
26 satellites, fiber optics, or any other method now in existence or which may be
27 devised; this includes delivering or providing access to information through
28 databases or subscriptions.

29 (b) Electronic data retrieval or research.

1 (7) "Lobbying services" means the act of promoting or securing passage of
2 legislation or an attempt to influence a public official or other public servant toward
3 a desired action, including but not limited to the support of or opposition to a project
4 or the passage, amendment, defeat, approval, or veto of any legislation, regulation,
5 rule, or ordinance.

6 (8) "New construction" means construction of or site preparation for a
7 permanent new building, structure, or fixture on immovable property or an increase
8 in the square footage of an existing building, structure, or fixture on immovable
9 property.

10 (9) "Private investigation services" means any investigation conducted for
11 purposes of providing information related to any of the following:

12 (a) A crime or wrong committed, assumed to have been committed, or
13 threatened to be committed.

14 (b) The identity, habits, conduct, movement, location, affiliations,
15 associations, transactions, reputation, or character of any person.

16 (c) The credibility of a witness or of any other individual.

17 (d) The location of a missing individual.

18 (e) The location or recovery of lost or stolen property.

19 (f) The origin, cause of, or responsibility for a fire, accident, damage to or
20 loss of property, or injury to an individual, regardless of who conducts the
21 investigation.

22 (g) The affiliation, connection, or relation of any person with an organization
23 or other person.

24 (h) The activities, conduct, efficiency, loyalty, or honesty of any employee,
25 agent, contractor, or subcontractor.

26 (i) The financial standing, creditworthiness, or financial responsibility of any
27 person.

28 (j) Securing evidence for use before any investigating committee, board of
29 award, or board of arbitration, or for use in a trial of any civil or criminal cause.

1 (k) Conducting polygraph testing.

2 (l) Conducting background checks on prospective employees or tenants.

3 (m) Conducting background checks on individuals by or at the request of an
4 insurance company for workers' compensation purposes.

5 (10) "Reconstruction" means to rebuild or construct again a prior existing
6 permanent building, structure, or fixture on immovable property and may include a
7 change in the square footage from the prior existing building, structure, or fixture on
8 immovable property.

9 (11)(a) "Remodeling" means a transaction comprised of multiple services
10 performed by one or more persons to restore, improve, alter, or update immovable
11 property that may otherwise be subject to tax as repair, maintenance, and installation
12 services if separately performed. The term "remodeling" includes a transaction for
13 services by which the internal structure or design of one or more rooms or areas
14 within a room or building are substantially changed.

15 (b) The term "remodeling" does not include a single service that is included
16 in repair, maintenance, and installation services. The term does not include a
17 transaction where the true purpose is repair, maintenance, and installation services
18 no matter that another service included in repair, maintenance, and installation
19 services is performed that is incidental to the true purpose of the transaction such as
20 repair of sheetrock that includes applying paint, replacement of cabinets that includes
21 installation of caulk or molding, and the installation of hardwood floors that includes
22 installation of shoe molding.

23 (12) "Security, protection, and bodyguard services" means any activity that
24 a person performs for compensation as a security guard to protect any individual or
25 property and is provided on the premises of a person's residential or commercial
26 property.

27 (13) "Security and alarm system monitoring" means monitoring of an
28 electronically controlled burglar or fire alarm system for any residential or

1 commercial property or responding to a distress call or an alarm sounding from a
2 security system.

3 (14) "Tangible personal property" includes machinery, appliances, and
4 equipment which have been declared immovable by declaration under the provisions
5 of Civil Code Article 467 and things which have been separated from land,
6 buildings, or other constructions permanently attached to the ground or their
7 component parts as defined in Civil Code Article 466.

8 (15) "Transient guests" means individuals who rent accommodations other
9 than their regular place of abode on less than a month-to-month basis.

10 B. For purposes of the impositions levied pursuant to this Chapter and
11 Chapters 2-A and 2-B, the following services shall be subject to state and local sales
12 and use tax:

13 (1) The rental or furnishing of sleeping rooms, cottages, cabins, rooms,
14 suites, condominiums, townhouses, rental houses, or other accommodations by
15 hotels, apartment hotels, lodging houses, tourist camps, tourist courts, property
16 management companies, accommodations intermediaries, or any other provider or
17 seller of accommodations to transient guests. The sales price shall include service
18 fees and charges, facilitator fees and charges, and other similar fees and charges.

19 (2) The furnishing of admissions which shall include sales of tickets, and
20 fees or other charges, for admission to places of amusement, recreational events,
21 entertainment, exhibitions, displays, and athletic entertainment, and charges made
22 for participation in games and amusement activities. This service shall include the
23 furnishing, for dues, fees, or other consideration, of the privilege of access to clubs,
24 including buyer's clubs, or the privilege of having access to or the use of amusement,
25 entertainment, athletic, or recreational facilities. This service shall also include
26 coin-operated amusement devices including but not limited to massage chairs, video
27 games, pinball games, table games such as billiards and air hockey, and redemption
28 games such as the claw and skeet ball that may award prizes of tangible personal

1 property. The sales price shall include any service, facility, processing, delivery, or
2 facilitator fees.

3 (3) Parking, storing, or keeping of motor vehicles, including but not limited
4 to valet services, the use of parking spaces, parking lots, and parking structures, and
5 charges for street parking at metered spaces.

6 (4) Printing and copying services, including but not limited to printing or
7 overprinting, lithographic, multilith, blue printing, photostating, or other similar
8 services of reproducing written or graphic matter, and copying, photocopying,
9 reproducing, duplicating, and other similar services including those services
10 provided in coin-operated, self-service form.

11 (5) Laundry, cleaning, pressing, alterations, repair, and dyeing services,
12 including but not limited to the cleaning and renovation of clothing, furs, linens,
13 furniture, carpets, and rugs, and the furnishing of storage space for clothing, furs, and
14 rugs. The service shall be taxable at the location where the laundered, cleaned,
15 pressed, or dyed article is returned to the customer.

16 (6) Telecommunications services for compensation, in accordance with the
17 provisions of R.S. 47:301.1.

18 (7) Storage provided for boats and vessels of less than fifty tons load
19 displacement and trailers.

20 (8) Auto club services and fees including but not limited to road and travel
21 services.

22 (9) Car wash services including but not limited to washing, waxing,
23 polishing, vacuuming, and detailing of motor vehicles.

24 (10) Coin-operated service machines, which shall include coin-operated
25 machines or devices that only dispense services and do not dispense merchandise,
26 music, skill, or pleasure such as machines that provide scales, shoeshines, lockers,
27 car washes, compressed air, or vacuum cleaning.

28 (11) Installation, repair, and maintenance of taxable computer software, and
29 related training.

1 (12) Condominium timeshare and exchange services.

2 (13) Dating and social matching services and marriage bureaus.

3 (14) Delivery, shipping, freight, and transportation services associated with
4 a taxable sale of tangible personal property or service.

5 (15) Non-medical diet and weight reduction services including but not
6 limited to commercial weight loss services not prescribed by a healthcare provider.

7 (16)(a) Immovable property repair, maintenance, and installation services
8 shall include but not be limited to the following services and activities:

9 (i) Services to keep or attempt to keep property in working order to avoid
10 breakdown and prevent deterioration or repairs. Examples include but are not limited
11 to janitorial and other cleaning services; exterior building cleaning, including roof
12 washing and pressure washing; window cleaning; pest control; servicing in-ground
13 and in-building swimming pools; parking lot, garage, and recreation area
14 maintenance; exterior and interior trash removal; lighting maintenance; and chimney
15 and duct cleaning.

16 (ii) Services to calibrate, refinish, or restore, or attempt to calibrate, refinish,
17 or restore, property to proper working order or good condition. These services may
18 include replacing or putting together torn or broken property.

19 (iii) Services to troubleshoot, identify, or attempt to identify the source of a
20 problem for the purpose of determining what is needed to restore property to proper
21 working order or good condition. These services include activities that may lead to
22 the issuance of an inspection report.

23 (iv) Services to install, apply, connect, adjust, or set into position property.
24 These services shall include floor refinishing and the installation of carpet, flooring,
25 floor coverings, windows, doors, cabinets, countertops, and other installations where
26 the item being installed may replace a similar existing item. The replacement of
27 more than one of a like-kind item, such as replacing one or more windows, shall be
28 deemed a repair, maintenance, and installation service.

1 (b) Immovable property repair, maintenance, and installation services shall
2 not include any service used to fulfill an immovable property contract as defined in
3 this Section or any installation defined in this Section as a capital improvement.

4 (17)(a) Information services, which shall include all of the following:

5 (i) Furnishing newsletters; tax guides; research publications; financial,
6 investment, circulation, credit, stock market, or bond rating reports; mailing lists;
7 abstracts of title; news clipping services; wire services; scouting reports; surveys;
8 bad check lists; and broadcast rating services.

9 (ii) Subscriptions to genealogical, financial, or similar databases.

10 (iii) Global positioning system services including driving directions and
11 sports, news, and similar information provided through satellite audio programming
12 services.

13 (b) Information services shall not include any of the following:

14 (i) Information sold to a newspaper or a radio or television station licensed
15 by the Federal Communication Commission, if the information is gathered or
16 purchased for direct use in newspapers or radio or television broadcasts.

17 (ii) Charges to a person by a financial institution for account balance
18 information; or information gathered or compiled on behalf of a particular client, if
19 the information is of a proprietary nature to that client and may not be sold to others
20 by the person who compiled the information, except for a subsequent sale of the
21 information by the client for whom the information was gathered or compiled.

22 (iii) Internet access service or information services that are provided in
23 conjunction with and merely incidental to the provision of internet access service
24 when provided for a single charge.

25 (18) Interior decorating and design services.

26 (19) Intrastate limousine, bus, and van transportation services and taxi cab
27 and rideshare services.

28 (20) Landscaping, lawn care, and horticultural services, including but not
29 limited to lawn care and maintenance services; tree trimming, pruning, or removal

1 services; landscape design and installation services; and landscape care and
2 maintenance services.

3 (21) Linen supply services including but not limited to table, bath, and bed
4 linen supply services and uniform supply services.

5 (22) Lobbying services.

6 (23) Machine and equipment operator services provided with machine or
7 equipment rental.

8 (24) Mailing services including applying postage, addressing, enclosing,
9 sealing, preparing for mailing, or mailing; presorting mail and packages by postal
10 code; address barcoding; tracking; delivery to postal service; private mailbox rentals;
11 and direct mail services, such as printed material delivered or distributed by United
12 States mail or other delivery service to a mass audience or to addressees on a mailing
13 list provided by the purchaser or at the direction of the purchaser if the cost of the
14 items is not billed directly to the recipients.

15 (25) Marina services provided with respect to boats and vessels of less than
16 fifty tons load displacement, including but not limited to fees for storage, mooring
17 or docking of vessels of all types and sizes both in-water or off-water, space or slip
18 rental fees, fees for putting a boat in or taking a boat out of water, and winterization
19 fees including but not limited to charges for shrink wrapping or installing a cover.

20 (26) Personal fitness training services including but not limited to instructor-
21 led recreational classes, one-on-one or group sports or recreation lessons, fitness
22 classes, and personal trainer exercise instruction.

23 (27) Pet grooming, boarding, sitting, training, and obedience services.

24 (28) Photography and photographic studio services, including sitting fees.

25 (29) Photofinishing and film development services including but not limited
26 to developing and printing original photographs, developing negatives, and tinting
27 or coloring pictures.

28 (30) Private process server services.

29 (31) Public opinion and research polling services.

1 (32) Quilting, embroidery, and monogramming services.

2 (33) Repairs, maintenance, and installation of tangible personal property.

3 Repairs and maintenance include but are not limited to the repair and servicing of
4 automobiles, vehicles, boats and vessels, electrical and mechanical appliances and
5 equipment, farm machinery and implements, motors, tires, batteries, engineering
6 instruments, medical and surgical instruments, machinery, mechanical tools, shop
7 equipment, furniture, rugs, flooring, watches, clocks, jewelry, refrigerators, phones,
8 televisions, radios, shoes, including shoe shining, and office appliances and
9 equipment. This includes service call charges and trip or travel charges.

10 (34) Repossession services.

11 (35) Restroom operations and comfort station services.

12 (36) Security services including locksmith, security and alarm system
13 monitoring, private investigation, background checks, transportation or delivery of
14 money, property, or valuables by armored car, security, protection, and bodyguard
15 services.

16 (37) Personal shopping services for individuals.

17 (38) Social event planning and coordination services and catering services.

18 (39) Spa services, massages by massage parlors, and steam baths.

19 (40) Rental of space for meetings, conventions, short-term business uses,
20 entertainment events, weddings, banquets, parties, and other short-term social events,
21 including but not limited to hotel conference rooms and ballrooms, convention center
22 space and related charges, picnic shelters, and other recreational spaces and dining
23 areas reserved for private parties.

24 (41) Furnishing of space for storage of tangible personal property by a
25 person engaged in the business of furnishing space for storage. Space for storage
26 shall not include storage for tangible personal property held for sale in the regular
27 course of business, or the lease or rental of an entire building such as a warehouse.

28 (42) Skin tanning services including but not limited to tanning booths,
29 tanning bed services, and spray tanning services.

1 (43) Body modification services including but not limited to tattooing,
2 piercing, scarification, and branding.

3 (44) Travel and travel package services including services of travel agents
4 and travel clubs.

5 (45) Except as prohibited by federal law, cable television services,
6 direct-to-home satellite services, video programming services, and satellite digital
7 audio radio services.

8 (46) Services provided through warranty agreements, extended warranty
9 agreements, and service contracts, including services provided through a service
10 contract agreement between the contract provider and the purchaser where the
11 purchaser agrees to pay compensation for the contract and the provider agrees to
12 repair, replace, support, or maintain tangible personal property, digital property, or
13 real property according to the terms of the contract.

14 (47) Waste collection and disposal services. The collection and disposal of
15 solid waste resulting from the operation of residential, commercial, industrial,
16 governmental, or institutional establishments normally collected, processed, and
17 disposed of through a public or private solid waste management service shall not be
18 taxable.

19 (48) Wrecking and towing services.

20 Section 2. R.S. 47:301(14)(a) through (k) and (29)(x)(viii) are hereby repealed in
21 their entirety.

22 Section 3. The provisions of this Act shall apply to taxable periods beginning on or
23 after February 1, 2025.

24 Section 4. This Act shall become effective upon signature by the governor or, if not
25 signed by the governor, upon expiration of the time for bills to become law without signature
26 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
27 vetoed by the governor and subsequently approved by the legislature, this Act shall become
28 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 9 Original

2024 Third Extraordinary Session

Riser

Abstract: Imposes sales and use tax upon certain digital products and digital services.

Present law imposes a state sales and use tax upon the sale, use, lease, or rental of tangible personal property, and upon the sale of certain services, which tax is composed of the following levies in the following amounts:

R.S. 47:302	.....	2.00%
R.S. 47:321	.....	1.00%
R.S. 47:321.1	.....	0.45%
R.S. 47:331	.....	0.97%
R.S. 51:1286	.....	0.03%

Present law terminates the 0.45% sales and use tax levy effective July 1, 2025.

Present law provides for general conformity of sales and use tax bases (the sets of goods and services subject to tax) of local taxing authorities with the state's sales and use tax base; but authorizes local taxing authorities, individually, to adopt certain sales and use tax exemptions for particular goods and services, allowing for dissimilarity between local bases and the state's base.

Present law imposes sales and use tax upon all tangible personal property which is not specifically exempted from such tax or excluded from the tax base by present law.

Present law does not impose sales and use tax upon services except for those specifically identified and enumerated in present law.

Proposed law retains and relocates provisions of present law identifying and enumerating services subject to state and local sales and use tax.

Proposed law adds to present law all of the following as services to which state and local sales and use tax shall apply:

- (1) Storage for boats and vessels of less than 50 tons load displacement and trailers.
- (2) Auto club services and fees including road and travel services.
- (3) Car wash services.
- (4) Coin-operated machines or devices that dispense only services and not merchandise, music, skill, or pleasure.
- (5) Installation, repair, and maintenance of taxable computer software, and related training.
- (6) Condominium timeshare and exchange services.
- (7) Dating and social matching services and marriage bureaus.

- (8) Delivery, shipping, freight, and transportation services associated with a taxable sale of tangible personal property.
- (9) Non-medical diet and weight reduction services including commercial weight loss services not prescribed by a healthcare provider.
- (10) Immovable property repair, maintenance, and installation services (excluding new construction, reconstruction, and capital improvements as defined in proposed law).
- (11) Information services as defined in proposed law.
- (12) Interior decorating and design services.
- (13) Intrastate limousine, bus, and van transportation services and taxi cab and rideshare services.
- (14) Landscaping, lawn care, and horticulture services.
- (15) Linen supply services.
- (16) Lobbying services.
- (17) Machine and equipment operator services provided with machine or equipment rental.
- (18) Mailing services.
- (19) Marina services provided with respect to boats and vessels of less than 50 tons load displacement.
- (20) Personal fitness training services.
- (21) Pet grooming, boarding, sitting, training, and obedience services.
- (22) Photography and photographic studio services, including sitting fees.
- (23) Photofinishing and film development services.
- (24) Private process server services.
- (25) Public opinion and research polling services.
- (26) Quilting, embroidery, and monogramming services.
- (27) Repairs, maintenance, and installation of tangible personal property.
- (28) Repossession services.
- (29) Restroom operations and comfort station services.
- (30) Security services as defined in proposed law.
- (31) Personal shopping services for individuals.
- (32) Social event planning and coordination services and catering services.
- (33) Spa services, massages by massage parlors, and steam baths.

- (34) Rental of space for meetings, conventions, short-term business uses, entertainment events, weddings, banquets, parties, and other short-term social events.
- (35) With certain exceptions as provided in proposed law, furnishing of space for storage of tangible personal property by a person engaged in the business of furnishing storage space. (Expands present law on taxation of storage space which imposes sales tax only on the furnishing of cold storage.)
- (36) Skin tanning services.
- (37) Body modification services including tattooing, piercing, scarification, and branding.
- (38) Travel and travel package services including services of travel agents and travel clubs.
- (39) Except as prohibited by federal law, cable television services, direct-to-home satellite services, video programming services, and satellite digital audio radio services.
- (40) Services provided through warranty agreements, extended warranty agreements, and service contracts.
- (41) With certain exceptions as provided in proposed law, waste collection and disposal services (excluding public or private municipal waste management)
- (42) Wrecking and towing services.

Present law requires that sales and use taxes on taxable goods and services be collected from any seller who qualifies as a "dealer" as defined in present law.

Proposed law stipulates that solely for purposes of the sale of services which were not subject to sales and use tax prior to Jan. 1, 2025, the term "dealer" shall not include any person who sells a taxable service and whose gross revenue from the sale of services does not exceed, or is not reasonably expected to exceed, \$10,000 during the current calendar year. Provides that when a person's gross revenue from the sale of services which were not subject to sales and use tax in this state prior to Jan. 1, 2025, exceeds \$10,000 during a calendar year, the person shall be deemed a dealer and shall be subject to the requirements of present law relative to collection, reporting, and remittance of sales tax. Provides, however, that the exemption from "dealer" status established by proposed law shall not apply to any of the following persons:

- (1) Any person who, in addition to selling services, sells tangible personal property or taxable digital products.
- (2) Any person whose gross revenue from the sale of services exceeded \$10,000 in any previous calendar year.

Present law provides that the defined term "telecommunications service", for purposes of the imposition of sales and use tax on such service, shall not include ancillary services. Proposed law repeals present law.

Proposed law applies to taxable periods beginning on or after Feb. 1, 2025.

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

(Amends R.S. 47:301(14)(intro. para.); Adds R.S. 47:301(4)(f)(iv) and 301.3; Repeals R.S. 47:301(14)(a)–(k) and (29)(x)(viii))