

2024 Third Extraordinary Session

HOUSE BILL NO. 10

BY REPRESENTATIVE WRIGHT

1 AN ACT

2 To amend and reenact R.S. 22:2065, R.S. 47:32(A), 44.1(A), 287.732.2(B), 287.750(I),
3 293(9)(a)(iv) and (10), 294, 295, the Section heading of 297.14, 300.1, 300.3(3),
4 301(3), (4)(i) through (k), (6), (7), (8), (10), (13), (14), (16), (18), and (23) through
5 (30), 301.1(B)(2)(b) through (d), (C)(2)(b), and (D) through (F), 302(D),
6 303(B)(introductory paragraph), (1)(introductory paragraph) and (b)(introductory
7 paragraph), (3)(b)(ii), and (4), (D)(1), (E), and (F), 303.1(B)(5), 304(A), 305(A), (B),
8 (C), (D)(1), and (E) through (I), 305.2 through 305.4, 305.6 through 305.8,
9 305.10(F), 305.13, 305.16, 305.20(A), (C), and (D), 305.33, 305.39, 305.50(B)
10 through (D), 305.70, 305.72(C), 305.73(B) through (D), 305.75(A), 306(A)(3)(a),
11 306.5(B), 318(A), 321(A) and (C), 321.1(A) through (C) and (E), 322, 331(A)
12 through (C), 332, 337.2(C)(2) and (4)(a) and (b)(i)(aa)(II) and (bb)(II), 337.4(B)(6)
13 and (7), 337.6(B), 337.8(B), 337.10, 337.13(A), 463.8(B)(1)(b) and (3), 4302(B),
14 6001(A), 6006(A), (B)(1)(introductory paragraph), (2), and (4), (D), and (E),
15 6007(J)(1)(b)(i) and (c) and (2)(a), 6019(A)(1)(e), 6020(H), and 6023(I), and R.S.
16 51:1286, 1787(L), and 2461, to enact R.S. 47:293(9)(a)(xxvi), 297.25, 300.6(B)(3),
17 300.7(C)(3), 301(4)(l), 301.3, 301.4, 301.5, 305(J) and (K), 305.5, 305.72(D) through
18 (F), 3204(M), 6007(J)(1)(d), and 6015(M), and to repeal Part V of Chapter 3 of Title
19 40, comprised of R.S. 40:582.1 through 582.7, R.S. 47:9, 32(B), 32.1, 79,
20 293(9)(a)(ix) and (xvii), 293.2, 297, 297.2, 297.6, 297.7, 297.9, 297.20(A)(2),
21 297.21(A)(2), 301(4)(m) and (n) and (31), 301.1(B)(2)(e) and (f) and (F), 301.2,
22 302(F) through (J), (L) through (T), and (X) through (CC), 305(D)(3) through (6),
23 305.18, 305.24 through 305.26, 305.28, 305.30, 305.33, 305.37, 305.40 through

1 305.44, 305.46, 305.47, 305.49, 305.50(E) and (F), 305.52, 305.54, 305.56 through
2 305.61, 305.63, 305.65, 305.68, 305.71, 305.73(A)(5) and (6), (E), and (F), 305.74,
3 305.77 through 305.80, 306(A)(6), and (7), and (D), 315.1 through 315.3, 315.5,
4 321(E) through (Q), 321.1(F), (I), and (J), 331(F) through (W), 337.2(A)(2) and
5 (B)(3)(e) through (h), 337.4(B)(4) and (8), 337.5(A)(1)(e), 337.10.1 through
6 337.10.2, 337.11.1, 337.11.2, 337.18(A)(3), 337.23(C)(1)(a)(ii), 338.1(B),
7 340(G)(6)(d), 6003, 6006(F) through (H), and 6040, and Chapter 10 of Title 51 of
8 the Louisiana Revised Statutes of 1950, comprised of R.S. 51:1301 through 1316,
9 relative to revenue and finance; to provide for state and local revenue and finance;
10 to provide for taxation; to provide for sales and use taxes; to provide for the rate of
11 the sales and use tax; to provide for sales and use tax exclusions, exemptions, credits,
12 and rebates; to provide for the applicability of certain exclusions, exemptions,
13 credits, and rebates to sales and use taxes levied by the state and certain other
14 political subdivisions; to provide with respect to compensation for certain dealers for
15 collecting and remitting sales and use taxes; to provide for the administration and
16 sourcing of certain sales; to provide for the sourcing of certain bundled transactions;
17 to provide for certain requirements and limitations; to repeal the Louisiana Tax Free
18 Shopping Program; to repeal certain sales and use tax exclusions, exemptions,
19 credits, and rebates; to provide state taxes levied on income; to provide for a flat tax
20 rate for individuals, estates, and trusts; to provide for the calculation of individual
21 income tax liability; to provide for the reduction of individual income tax rates under
22 certain circumstances; to provide for certain requirements and limitations for the
23 reduction of individual income tax rates; to provide for the amount of the standard
24 deduction; to reduce certain deductions and credits; to increase the amount of the
25 deduction for certain annual retirement income; to provide for certain definitions; to
26 establish bonus depreciation and bonus amortization deductions; to provide for
27 certain limitations with respect to the bonus depreciation and amortization; to
28 provide for personal exemptions and credits for dependents; to provide for the rates
29 and brackets for estates and trusts; to provide for the termination of certain credits

1 claimed against income tax liability;to provide relative to the motion picture
 2 production tax credit; to provide relative to the research and development tax credit;
 3 to provide relative to the tax credit for rehabilitation of historic structures; to provide
 4 for credit caps; to repeal provisions relative to elections made by certain corporations
 5 and flow-through entities; to repeal provisions for certain disallowed expenses; to
 6 repeal the deduction for net capital gains; to repeal the individual income tax rate
 7 reduction trigger; to repeal regulation requirements for the capital gains deduction;
 8 to repeal certain limitations on the deduction for children adopted from foster care;
 9 to repeal certain limitations on the deduction for the private adoption of certain
 10 children; to provide for applicability; to provide for an effective date; and to provide
 11 for related matters.

12 Be it enacted by the Legislature of Louisiana:

13 Section 1. R.S. 22:2065 is hereby amended and reenacted to read as follows:

14 §2065. Tax exemption

15 The association shall be exempt from payment of all fees and all taxes levied
 16 by this state or any of its subdivisions except taxes levied on real or personal
 17 property, and sales and use taxes levied by any taxing authority.

18 Section 2. R.S. 47:32(A), 44.1(A), 287.732.2(B), 287.750(I), 293(9)(a)(iv) and (10),
 19 294, 295, the Section heading of 297.14, 300.1, 300.3(3), 301(3), (4)(i) through (k), (6), (7),
 20 (8), (10), (13), (14), (16), (18), and (23) through (30), 301.1(B)(2)(b) through (d), (C)(2)(b),
 21 (D), (E), and (F), 302(D), 303(B)(introductory paragraph), (1)(introductory paragraph) and
 22 (b)(introductory paragraph), (3)(b)(ii), and (4), (D)(1), (E), and (F), 303.1(B)(5), 304(A),
 23 305(A), (B), (C), (D)(1), and (E) through (I), 305.2 through 305.4, 305.6 through 305.8,
 24 305.10(F), 305.13, 305.20(A), (C), and (D), 305.33, 305.39, 305.50(B) through (D), 305.70,
 25 305.72(C), 305.73(B) through (D), 305.75 (A), 306(A)(3)(a), 306.5(B), 318(A), 321(A) and
 26 (C), 321.1(A) through (C) and (E), 322, 331(A) through (C), 332, 337.2(C)(2) and (4)(a) and
 27 (b)(i)(aa)(II) and (bb)(II), 337.4(B)(6) and (7), 337.6(B), 337.8(B), 337.10, 337.13(A),
 28 463.8(B)(1)(b) and (3), 4302(B), 6001(A), 6006(A), (B)(1)(introductory paragraph), (2), and
 29 (4), (D), and (E), 6007(J)(1)(b)(i) and (c) and (2)(a), 6019(A)(1)(e), 6020(H), and 6023(I)

1 are hereby amended and reenacted and R.S. 47:293(9)(a)(xxvi), 297.25, 300.6(B)(3),
2 300.7(C)(3), 301(4)(l), 301.3, 301.4, 301.5, 305(J) and (K), 305.5, 305.13, 305.16,
3 305.72(D) through (F), 3204(M), 6007(J)(1)(d), and 6015(M) are hereby enacted to read as
4 follows:

5 §32. Rates of tax

6 A. On individuals. The tax to be assessed, levied, collected, and paid upon
7 the taxable income of an individual shall be computed at the ~~following rates:~~

8 ~~(1) One and eighty-five one hundredths percent on that portion of the first~~
9 ~~twelve thousand five hundred dollars of net income which is in excess of the credits~~
10 ~~against net income provided for in R.S. 47:79.~~

11 ~~(2) Three and one-half percent on the next thirty-seven thousand five~~
12 ~~hundred dollars of net income.~~

13 ~~(3) Four and twenty-five one hundredths~~ rate of three percent ~~on any amount~~
14 ~~of net income in excess of fifty thousand dollars of net income.~~

15 * * *

16 §44.1. Annual retirement or disability income; exemption from taxation

17 A. ~~Six~~ Twelve thousand dollars of annual retirement income which is
18 received by an individual sixty-five years of age or older shall be exempt from state
19 income taxation. "Annual retirement income" is defined as pension and annuity
20 income which is included in "tax table income" as defined in R.S. 47:293. This
21 Section shall not affect the status of any income which is exempt from state income
22 taxation by law. The amount of the exemption provided for in this Subsection shall
23 be adjusted annually beginning January 1, 2026, by an amount calculated by
24 multiplying the amount of the prior year's exemption by the percentage increase in
25 the Consumer Price Index United States city average for all urban consumers (CPI-
26 U), as reported by the United States Department of Labor, Bureau of Labor
27 Statistics, or its successor, for the previous calendar year.

28 * * *

1 §287.732.2. Election for S corporations and other flow-through entities

2 * * *

3 B. Notwithstanding any provision of law to the contrary, the tax on the
4 Louisiana taxable income of every entity that makes the election pursuant to this
5 Section shall be computed at the ~~rates of:~~ rate levied on individuals pursuant to the
6 provisions of R.S. 47:32.

7 ~~(1) One and eighty-five one hundredths percent upon the first twenty-five~~
8 ~~thousand dollars of Louisiana taxable income.~~

9 ~~(2) Three and one-half percent upon the amount of Louisiana taxable income~~
10 ~~above twenty-five thousand dollars but not in excess of one hundred thousand~~
11 ~~dollars.~~

12 ~~(3) Four and one-quarter percent upon the amount of Louisiana taxable~~
13 ~~income above one hundred thousand dollars.~~

14 * * *

15 §287.750. Louisiana work opportunity tax credit

16 * * *

17 I. No credit shall be granted pursuant to this Section for certifications
18 requested after June 30, 2027 June 30, 2025.

19 * * *

20 §293. Definitions

21 The following definitions shall apply throughout this Part, unless the context
22 requires otherwise:

23 * * *

24 (9)(a) "Tax table income", for resident individuals, means adjusted gross
25 income plus interest on obligations of a state or political subdivision thereof, other
26 than Louisiana and its municipalities, title to which obligations vested with the
27 resident individual on or subsequent to January 1, 1980, and less:

28 * * *

1 (iv) ~~The excess, if any, of the personal exemptions and deductions~~ standard
2 deduction provided for in R.S. 47:294 ~~over the amount of the personal exemptions~~
3 ~~and deductions already included in the tax tables promulgated by the secretary under~~
4 ~~authority of R.S. 47:295.~~

5 * * *

6 (xxvi) The bonus depreciation deduction provided for in R.S. 47:297.25.

7 * * *

8 (10) "Tax table income", for nonresident individuals, means the amount of
9 Louisiana income, as provided in this Part, allocated and apportioned under the
10 provisions of R.S. 47:241 through 247, ~~plus the total amount of the personal~~
11 ~~exemptions and deductions already included in the tax tables promulgated by the~~
12 ~~secretary under authority of R.S. 47:295,~~ less the proportionate amount of excess
13 federal itemized personal deductions; the temporary teacher deduction; the recreation
14 volunteer and volunteer firefighter deduction; the construction code retrofitting
15 deduction; any gratuitous grant, loan, or other benefit directly or indirectly provided
16 to a taxpayer by a hurricane recovery entity if such benefit was included in federal
17 adjusted gross income; any gratuitous grant, loan, rebate, tax credit, advance refund,
18 or other qualified disaster relief benefit directly or indirectly provided to a taxpayer
19 by the state or federal government as a COVID-19 relief benefit as defined in R.S.
20 47:297.16 if the benefit was included in the taxpayer's federal adjusted gross income;
21 the exclusion provided for in R.S. 47:297.3 for S Bank shareholders; ~~the deduction~~
22 ~~for expenses disallowed by 26 U.S.C. 280C;~~ salaries, wages, or other compensation
23 received for disaster or emergency-related work rendered during a declared state
24 disaster or emergency; wages of nonresident individuals who are eligible for the
25 mobile workforce exemption pursuant to R.S. 47:248; ~~the deduction for net capital~~
26 ~~gains;~~ the pass-through entity exclusion provided in R.S. 47:297.14; the exemption
27 for military survivor benefit plan payments pursuant to R.S. 47:297.17; the bonus
28 depreciation deduction provided for in R.S. 47:297.25 and ~~personal exemptions and~~
29 ~~deductions~~ the standard deduction provided for in R.S. 47:294. The proportionate

1 amount is to be determined by the ratio of Louisiana income to federal adjusted gross
2 income. When federal adjusted gross income is less than Louisiana income, the ratio
3 shall be one hundred percent. ~~The Department of Revenue shall promulgate~~
4 ~~regulations in accordance with R.S. 47:293.2 relative to the individual income tax~~
5 ~~deduction for income from net capital gains pursuant to this Paragraph.~~

6 * * *

7 §294. ~~Personal exemptions and credit for dependents~~ Standard deduction

8 A. ~~All personal exemptions and deductions for dependents allowed in~~
9 ~~determining federal income tax liability, including the extra exemption for the blind~~
10 ~~and aged, will be allowed in determining the tax liability in this Part. A standard~~
11 ~~deduction shall be allowed in determining a taxpayer's tax liability pursuant to this~~
12 ~~Part. Taxpayers are required to use the same filing status and claim the same~~
13 ~~exemptions on their return required to be filed under this Part as they used on their~~
14 ~~federal income tax return. The amounts to be taken into consideration~~ For tax year
15 2025, the amount of the standard deduction shall be as follows:

16 A. ~~A combined personal exemption and standard deduction in the following~~
17 ~~amounts:~~

- 18 a. (1) Single Individual and Married-Separate ~~\$ 4500.00~~ \$12,500.00
- 19 b. (2) Married-Joint Return, and a Qualified
- 20 Surviving Spouse, and Head of Household ~~\$ 9000.00~~ 200% of the dollar
- 21 amount provided for Single
- 22 Individuals
- 23 c. ~~Married-Separate~~ ~~\$ 4500.00~~
- 24 d. ~~Head of Household~~ ~~\$ 9000.00~~

25 B. ~~An additional deduction of one thousand dollars shall be allowed for each~~
26 ~~allowable exemption in excess of those required to qualify for the exemption~~
27 ~~allowable under R.S. 47:294(A). Beginning January 1, 2026, and thereafter, the~~
28 ~~amount of the standard deduction provided in Subsection A of this Section shall be~~
29 ~~adjusted annually by an amount calculated by multiplying the amount of the prior~~

1 year's standard deduction by the percentage increase in the Consumer Price Index
 2 United States city average for all urban consumers(CPI-U), as reported by the United
 3 States Department of Labor, Bureau of Labor Statistics, or its successor, for the
 4 previous calendar year.

5 §295. Tax imposed on individuals; administration

6 A. There is imposed an income tax for each taxable year upon the Louisiana
 7 income of every individual, whether resident or nonresident. The amount of the tax
 8 shall be determined ~~from tax tables imposing the maximum tax allowed under the~~
 9 ~~rates of tax and brackets set forth in accordance with the provisions of R.S. 47:32~~
 10 ~~promulgated by the secretary under authority of this Section in accordance with the~~
 11 ~~Administrative Procedure Act. However, the tax imposed by this Part shall never~~
 12 ~~exceed the rates of tax and brackets set forth in R.S. 47:32.~~

13 B. ~~The secretary shall establish tax tables that calculate the tax owed by~~
 14 ~~taxpayers based upon where their taxable income falls within a range that shall not~~
 15 ~~exceed two hundred fifty dollars. The secretary shall provide in the tax tables that~~
 16 ~~the combined personal exemption, standard deduction, and other exemption~~
 17 ~~deductions in R.S. 47:294 shall be deducted from the lowest bracket. If the combined~~
 18 ~~exemptions and deductions exceed the lowest bracket, the excess shall be deducted~~
 19 ~~from the next lowest bracket. If the combined exemptions and deductions exceed the~~
 20 ~~two lowest brackets, the excess shall be deducted from the next lowest bracket.~~

21 ~~€.~~ The secretary of the Department of Revenue shall administer and enforce
 22 this Part: and He may adopt, prescribe, and from time to time alter and enforce
 23 reasonable rules, orders, and regulations for the purpose of implementing this Part.
 24 ~~He~~ The secretary may, upon making a record of his reasons therefor, waive, reduce,
 25 or compromise any of the taxes, penalties, or interest or other amounts provided by
 26 this Part. ~~Until December 31, 2015, in any case when the penalty exceeds twenty-~~
 27 ~~five thousand dollars, it can be waived by the secretary only after approval by the~~
 28 ~~Board of Tax Appeals.~~ Notwithstanding the provisions of R.S. 47:1508, beginning
 29 January 1, 2016, waivers of all penalties exceeding twenty-five thousand dollars

1 shall be subject to oversight by the House Committee on Ways and Means and the
2 Senate Committee on Revenue and Fiscal Affairs. This provision shall not apply to
3 any penalty the secretary remits or waives in accordance with rules and regulations
4 promulgated pursuant to the Administrative Procedure Act regarding the remittance
5 or waiver of penalties under the department's voluntary disclosure program.

6 ~~Ð~~ C. The secretary may require that a complete copy of the taxpayer's
7 federal income tax return, or any part thereof, be filed. When ~~so~~ the return is filed,
8 the federal income tax return, or part thereof, shall constitute and become part of the
9 return required to be filed under this Part.

10 * * *

11 §297.14. Flow-through Pass-through entity exclusion

12 * * *

13 §297.25. Tax deduction; election; bonus depreciation and amortization

14 A. General. For purposes of computing tax table income for taxable years
15 beginning on or after January 1, 2025, there shall be allowed a deduction, at the
16 election of the taxpayer, from federal adjusted gross income for costs of qualified
17 property, qualified improvement property, and research and experimental
18 expenditures, as provided in this Section.

19 B. Definitions. For purposes of this Section, the following words shall have
20 the following meanings:

21 (1) "Bonus depreciation" and "bonus amortization" mean methods to recover
22 costs for expenditures in depreciable or amortizable business assets by immediately
23 deducting the cost of the expenditures in the tax year in which the property is placed
24 in service or the expenditure is paid or incurred.

25 (2) "Internal Revenue Code" means Title 26 of the United States Code and
26 Title 26 of the Code of Federal Regulations, each as in effect on January 1, 2024.

27 (3) "Qualified improvement property" shall have the same meaning as the
28 term is defined in Section 168(e)(6) of the Internal Revenue Code.

1 (4) "Qualified property" shall have the same meaning as the term is defined
2 in Section 168(k) of the Internal Revenue Code.

3 (5) "Research and experimental expenditures" shall have the same meaning
4 as the term is defined by Section 174 of the Internal Revenue Code as in effect on
5 January 1, 2024.

6 C. Bonus depreciation for qualified property and qualified improvement
7 property.

8 (1) Expenditures for qualified property or qualified improvement property
9 placed in service on or after January 1, 2025, shall be eligible for bonus depreciation
10 and, if elected by the taxpayer, shall be deducted as an expense incurred by the
11 taxpayer during the taxable year in which the property is placed in service.

12 (2) If a taxpayer elects bonus depreciation for costs of qualified property or
13 qualified improvement property, any depreciation claimed pursuant to this Section
14 shall not duplicate any depreciation or bonus depreciation allowable on the federal
15 income tax return of the taxpayer for the taxable year.

16 (3) For taxable periods subsequent to the tax year in which the election has
17 been made pursuant to this Section, federal adjusted gross income shall be increased
18 by the amount of depreciation claimed under the Internal Revenue Code for the
19 qualified property or qualified improvement property for which bonus depreciation
20 has been claimed.

21 (4) Costs of qualified property or qualified improvement property for which
22 a taxpayer has elected bonus depreciation pursuant to the provisions of this Section
23 shall be subject to recapture upon the sale or disposition of the property in
24 accordance with Subchapter P of Chapter 1 of Subtitle A of the Internal Revenue
25 Code as in effect on January 1, 2024.

26 D. Bonus amortization for research and experimental expenditures.

27 (1) Research and experimental expenditures paid or incurred on or after
28 January 1, 2025, shall be eligible for bonus amortization and, if elected by the

1 taxpayer, shall be deducted as an expense incurred by the taxpayer during the taxable
2 year in which the expenditure was incurred.

3 (2) If a taxpayer elects bonus amortization for research and experimental
4 expenditures, any amortization claimed pursuant to this Section shall not duplicate
5 any amortization or bonus amortization allowable on the federal income tax return
6 of the taxpayer for the taxable year.

7 (3) For taxable periods subsequent to the tax year in which the election has
8 been made pursuant to this Section, federal adjusted gross income shall be increased
9 by the amount of amortization claimed under the Internal Revenue Code for research
10 and experimental expenditures for which bonus amortization has been claimed.

11 (4) Research and experimental expenditures for which a taxpayer has elected
12 bonus amortization pursuant to the provisions of this Section shall be excluded from
13 the basis of property related to the expenditures upon the sale or disposition of the
14 property in accordance with Subchapter P of Chapter 1 of Subtitle A of the Internal
15 Revenue Code as in effect on January 1, 2024.

16 E. Election. An election is made when a taxpayer timely files an original or
17 amended Louisiana individual income tax return with depreciation or amortization
18 expensed in the calculation of Louisiana tax table income.

19 F. Nothing in this Section shall be construed to allow as an expense the
20 excess of one hundred percent of the cost of property or expenditures. The
21 provisions of this Section shall not be construed to alter the treatment of expenses
22 for any tax year beginning on or before January 1, 2024.

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

26 * * *

27 §300.1. Tax imposed

28 There is imposed an income tax for each taxable year upon the Louisiana
29 taxable income of every estate or trust, whether resident or nonresident. The tax to

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

1 be assessed, levied, collected, and paid upon the Louisiana taxable income of an
2 estate or trust shall be computed at the ~~following rates:~~

3 ~~(1) One and eighty-five hundredths percent on the first ten thousand dollars~~
4 ~~of Louisiana taxable income.~~

5 ~~(2) Three and one-half percent on the next forty thousand dollars of~~
6 ~~Louisiana taxable income.~~

7 ~~(3) Four and twenty-five one hundredths~~ rate of three percent on Louisiana
8 taxable income ~~in excess of fifty thousand dollars.~~

9 * * *

10 §300.3. Residents and nonresidents

11 The tax imposed by R.S. 47:300.1 upon the income of estates or trusts shall
12 apply to residents and nonresidents as follows:

13 * * *

14 (3) Estates or trusts located outside the United States that derive income
15 from Louisiana sources but are not required to file United States fiduciary income
16 tax returns shall be taxed and required to comply with this Part. Such estate or trust
17 shall be taxed in the same manner as other nonresident estates or trusts, and the
18 provisions of this Part shall apply as if the estate or trust had been required to file an
19 income tax return with the Internal Revenue Service for the current and all prior
20 years. In the alternative, such estate or trust may elect to be taxed at the rate of ~~five~~
21 three percent on total gross income from Louisiana sources.

22 * * *

23 §300.6. Louisiana taxable income of resident estate or trust

24 * * *

25 B. Modification. For purposes of this Section, federal taxable income shall
26 be modified by adding or subtracting the items set forth below:

27 * * *

28 (3) For taxable years beginning on or after January 1, 2025, a deduction shall
29 be allowed from federal taxable income for the cost of qualified property, qualified

1 improvement property, and research and experimental expenditures as provided for
2 in R.S. 47:297.25.

3 §300.7. Louisiana taxable income of nonresident estate or trust

4 * * *

5 C. Modification. For purposes of this Section, federal taxable income shall
6 be modified by adding or subtracting the items set forth below:

7 * * *

8 (3) For taxable years beginning on or after January 1, 2025, a deduction shall
9 be allowed from federal taxable income for the cost of qualified property, qualified
10 improvement property, and research and experimental expenditures as provided for
11 in R.S. 47:297.25.

12 * * *

13 §301. Definitions

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

17 * * *

18 (3)(a) "Cost price" means the actual cost of the articles of tangible personal
19 property without any deductions therefrom on account of the cost of materials used,
20 labor, or service cost, ~~except those service costs for installing the articles of tangible~~
21 ~~personal property if such cost is separately billed to the customer at the time of~~
22 ~~installation,~~ including service costs for installation, and transportation charges, or
23 any other expenses whatsoever, or the reasonable market value of the tangible
24 personal property at the time it becomes susceptible to the use tax, whichever is less.
25 Cost price shall not include the amount charged for labor or services rendered in
26 installing, applying, remodeling, or repairing property sold if such cost is separately
27 billed to the customer at the time of installation.

28 (b) ~~In the case of tangible personal property which has acquired a tax situs~~
29 ~~in a taxing jurisdiction and is thereafter transported outside the taxing jurisdiction for~~

1 ~~repairs performed outside the taxing jurisdiction and is thereafter returned to the~~
2 ~~taxing jurisdiction, the cost price shall be deemed to be the actual cost of any parts~~
3 ~~and/or materials used in performing such repairs, if applicable labor charges are~~
4 ~~separately stated on the invoice. If the applicable labor charges are not separately~~
5 ~~stated on the invoice, it shall be presumed that the cost price is the total charge~~
6 ~~reflected on the invoice.~~

7 ~~(c) "Cost price" shall not include the supplying and installation of board~~
8 ~~roads to oil field operators if the installation charges are separately billed to the~~
9 ~~customer at the time of installation.~~

10 ~~(d)(i) In the case of interchangeable components located in Louisiana, a~~
11 ~~taxpayer may elect to determine the cost price of such components as follows:~~

12 ~~(aa) The taxpayer shall send to the secretary written notice of the calendar~~
13 ~~month selected by the taxpayer as the first month for the determination of cost price~~
14 ~~under this Paragraph (the "First Month"). The taxpayer may select any month. The~~
15 ~~taxpayer shall send to the secretary notice of an election to designate a First Month~~
16 ~~on the first day of the designated First Month, or ninety days from July 1, 1990,~~
17 ~~whichever is later.~~

18 ~~(bb) For the First Month and each month thereafter, cost price shall be based~~
19 ~~and use tax shall be paid only on one-sixtieth of the aggregate cost price of the~~
20 ~~interchangeable components deployed and earning revenue within Louisiana during~~
21 ~~the month, without regard to any credit or other consideration for Louisiana state,~~
22 ~~political subdivision, or school board use tax previously paid on such~~
23 ~~interchangeable components.~~

24 ~~(cc) Any election made under this Paragraph shall be irrevocable for a period~~
25 ~~of sixty consecutive months inclusive of the First Month. If at any time after the~~
26 ~~sixty-month period the taxpayer revokes its election, no credit or other consideration~~
27 ~~for use taxes paid pursuant thereto shall be applied to any use tax liability arising~~
28 ~~after such revocation.~~

1 (ii)(aa) For purposes of this Paragraph, "interchangeable component" means
2 a component that is used or stored for use in measurement-while-drilling instruments
3 or systems manufactured or assembled by the taxpayer, which measurement-while-
4 drilling instruments or systems collectively generate eighty percent or more of their
5 annual revenue from their use outside of the state.

6 (bb) ~~"Measurement-while-drilling instruments or systems" means~~
7 instruments or systems which measure information from a downhole location in a
8 borehole, transmit the information to the surface during the process of drilling the
9 borehole using a wireless technique, and receive and decode the information on the
10 surface.

11 (iii) ~~The method for determining cost price of interchangeable components~~
12 provided for in this Paragraph shall apply to any use taxes imposed by a local
13 political subdivision or school board. For purposes of that application, the words
14 "political subdivision" or "school board" as the case may be, shall be substituted for
15 the words "Louisiana" or "State" in each instance where those words appear in this
16 Paragraph and an appropriate official of the local political subdivision or school
17 board shall be designated to receive the notices required by this Paragraph.

18 (e) "Cost price" shall not include any amount designated as a cash discount
19 or a rebate by a vendor or manufacturer of any new vehicle subject to the motor
20 vehicle license tax. For purposes of this Paragraph "rebate" means any amount
21 offered by the vendor or manufacturer as a deduction from the listed retail price of
22 the vehicle.

23 (f)(c) The "cost price" of refinery gas shall be fifty-two cents per thousand
24 cubic feet multiplied by a fraction the numerator of which shall be the posted price
25 for a barrel of West Texas Intermediate Crude Oil on December first of the preceding
26 calendar year and the denominator of which shall be twenty-nine dollars, and
27 provided further that such cost price shall be the maximum value placed upon
28 refinery gas by the state and by any political subdivision under any authority or grant
29 of power to levy and collect use taxes.

1 ~~(g) "Cost price", for purposes of the use tax imposed by the state and its~~
2 ~~political subdivisions, shall exclude any amount that a manufacturer pays directly to~~
3 ~~a dealer of the manufacturer's product for the purpose of reducing and that actually~~
4 ~~results in an equivalent reduction in the retail "cost price" of that product. This~~
5 ~~exclusion shall not apply to the value of the coupons that dealers accept from~~
6 ~~purchasers as part payment of the "sales price" and that are redeemable by the~~
7 ~~dealers through manufacturers or their agents. The value of such coupons is deemed~~
8 ~~to be part of the "cost price" of the product purchased through the use of the coupons.~~

9 ~~(h)(i) For purposes of a publishing business which distributes its news~~
10 ~~publications at no cost to readers and pays unrelated third parties to print such news~~
11 ~~publications, the term "cost price" shall mean only the lesser of the following costs:~~

12 ~~(aa) The printing cost paid to unrelated third parties to print such news~~
13 ~~publications, less any itemized freight charges for shipping the news publications~~
14 ~~from the printer to the publishing business and any itemized charges for paper and~~
15 ~~ink.~~

16 ~~(bb) Payments to a dealer or distributor as consideration for distribution of~~
17 ~~the news publications.~~

18 ~~(ii) The definition of "cost price" provided for in this Subparagraph shall be~~
19 ~~applicable to taxes levied by all tax authorities in the state.~~

20 ~~(i)(i) For purposes of the imposition of the use tax levied by the state under~~
21 ~~R.S. 47:302, 321, and 331, the cost price of machinery and equipment used by a~~
22 ~~manufacturer in a plant facility predominately and directly in the actual~~
23 ~~manufacturing for agricultural purposes or the actual manufacturing process of an~~
24 ~~item of tangible personal property, which is for ultimate sale to another and not for~~
25 ~~internal use, at one or more fixed locations within Louisiana, shall be reduced as~~
26 ~~follows:~~

27 ~~(aa) For the period ending on June 30, 2005, the cost price shall be reduced~~
28 ~~by five percent.~~

1 ~~(bb) For the period beginning July 1, 2005, and ending on June 30, 2006, the~~
 2 ~~cost price shall be reduced by nineteen percent.~~

3 ~~(cc) For the period beginning July 1, 2006, and ending on June 30, 2007, the~~
 4 ~~cost price shall be reduced by thirty-five percent.~~

5 ~~(dd) For the period beginning July 1, 2007, and ending on June 30, 2008, the~~
 6 ~~cost price shall be reduced by fifty-four percent.~~

7 ~~(ee) For the period beginning July 1, 2008, and ending on June 30, 2009, the~~
 8 ~~cost price shall be reduced by sixty-eight percent.~~

9 ~~(ff) For all periods beginning on or after July 1, 2009, the cost price shall be~~
 10 ~~reduced by one hundred percent.~~

11 (ii) For purposes of this Subparagraph, the following definitions shall apply:

12 ~~(aa) "Machinery and equipment" means tangible personal property or other~~
 13 ~~property that is eligible for depreciation for federal income tax purposes and that is~~
 14 ~~used as an integral part in the manufacturing of tangible personal property for sale.~~
 15 ~~"Machinery and equipment" shall also mean tangible personal property or other~~
 16 ~~property that is eligible for depreciation for federal income tax purposes and that is~~
 17 ~~used as an integral part of the production, processing, and storing of food and fiber~~
 18 ~~or of timber.~~

19 ~~(f) Machinery and equipment, for purposes of this Subparagraph, also~~
 20 ~~includes but is not limited to the following:~~

21 ~~(aaa) Computers and software that are an integral part of the machinery and~~
 22 ~~equipment used directly in the manufacturing process.~~

23 ~~(bbb) Machinery and equipment necessary to control pollution at a plant~~
 24 ~~facility where pollution is produced by the manufacturing operation.~~

25 ~~(ccc) Machinery and equipment used to test or measure raw materials, the~~
 26 ~~property undergoing manufacturing or the finished product, when such test or~~
 27 ~~measurement is a necessary part of the manufacturing process.~~

28 ~~(ddd) Machinery and equipment used by an industrial manufacturing plant~~
 29 ~~to generate electric power for self consumption or cogeneration.~~

1 ~~(ccc) Machinery and equipment used primarily to produce a news~~
2 ~~publication whether it is ultimately sold at retail or for resale or at no cost. Such~~
3 ~~machinery and equipment shall include but not be limited to all machinery and~~
4 ~~equipment used primarily in composing, creating, and other prepress operations,~~
5 ~~electronic transmission of pages from prepress to press, pressroom operations, and~~
6 ~~mailroom operations and assembly activities. The term "news publication" shall~~
7 ~~mean any publication issued daily or regularly at average intervals not exceeding~~
8 ~~three months, which contains reports of varied character, such as political, social,~~
9 ~~cultural, sports, moral, religious, or subjects of general public interest, and~~
10 ~~advertising supplements and any other printed matter ultimately distributed with or~~
11 ~~a part of such publications.~~

12 ~~(H) Machinery and equipment, for purposes of this Subparagraph, does not~~
13 ~~include any of the following:~~

14 ~~(aaa) A building and its structural components, unless the building or~~
15 ~~structural component is so closely related to the machinery and equipment that it~~
16 ~~houses or supports that the building or structural component can be expected to be~~
17 ~~replaced when the machinery and equipment are replaced.~~

18 ~~(bbb) Heating, ventilation, and air-conditioning systems, unless their~~
19 ~~installation is necessary to meet the requirements of the manufacturing process, even~~
20 ~~though the system may provide incidental comfort to employees or serve, to an~~
21 ~~insubstantial degree, nonproduction activities.~~

22 ~~(ccc) Tangible personal property used to transport raw materials or~~
23 ~~manufactured goods prior to the beginning of the manufacturing process or after the~~
24 ~~manufacturing process is complete.~~

25 ~~(ddd) Tangible personal property used to store raw materials or~~
26 ~~manufactured goods prior to the beginning of the manufacturing process or after the~~
27 ~~manufacturing process is complete.~~

28 ~~(bb) "Manufacturer" means:~~

1 ~~(f) A person whose principal activity is manufacturing, as defined in this~~
 2 ~~Subparagraph, and who is assigned by the Louisiana Workforce Commission a North~~
 3 ~~American Industrial Classification System code within the agricultural, forestry,~~
 4 ~~fishing, and hunting Sector 11, the manufacturing Sectors 31-33, the information~~
 5 ~~Sector 511110 as they existed in 2002, or industry code 423930 as a recyclable~~
 6 ~~material merchant wholesaler engaged in manufacturing activities, which must~~
 7 ~~include shredding facilities, as determined by the secretary of the Department of~~
 8 ~~Revenue.~~

9 ~~(H) A person whose principal activity is manufacturing and who is not~~
 10 ~~required to register with the Louisiana Workforce Commission for purposes of~~
 11 ~~unemployment insurance, but who would be assigned a North American Industrial~~
 12 ~~Classification System code within the agricultural, forestry, fishing, and hunting~~
 13 ~~Sector 11, the manufacturing Sectors 31-33, the information Sector 511110 as they~~
 14 ~~existed in 2002, as determined by the Louisiana Department of Revenue from federal~~
 15 ~~income tax data, if he were required to register with the Louisiana Workforce~~
 16 ~~Commission for purposes of unemployment insurance.~~

17 ~~(cc) "Manufacturing" means putting raw materials through a series of steps~~
 18 ~~that brings about a change in their composition or physical nature in order to make~~
 19 ~~a new and different item of tangible personal property that will be sold to another.~~
 20 ~~Manufacturing begins at the point at which raw materials reach the first machine or~~
 21 ~~piece of equipment involved in changing the form of the material and ends at the~~
 22 ~~point at which manufacturing has altered the material to its completed form. Placing~~
 23 ~~materials into containers, packages, or wrapping in which they are sold to the~~
 24 ~~ultimate consumer is part of this manufacturing process. Manufacturing, for~~
 25 ~~purposes of this Subparagraph, does not include any of the following:~~

26 ~~(f) Repackaging or redistributing.~~

27 ~~(H) The cooking or preparing of food products by a retailer in the regular~~
 28 ~~course of retail trade.~~

29 ~~(H) The storage of tangible personal property.~~

1 ~~(IV) The delivery of tangible personal property to or from the plant.~~

2 ~~(V) The delivery of tangible personal property to or from storage within the~~
 3 ~~plant.~~

4 ~~(VI) Actions such as sorting, packaging, or shrink wrapping the final~~
 5 ~~material for ease of transporting and shipping.~~

6 ~~(dd) "Manufacturing for agricultural purposes" means the production,~~
 7 ~~processing, and storing of food and fiber and the production, processing, and storing~~
 8 ~~of timber.~~

9 ~~(ee) "Plant facility" means a facility, at one or more locations, in which~~
 10 ~~manufacturing, referred to in Sectors 11 and 31-33 of the North American Industrial~~
 11 ~~Classification system as of 2002, of a product of tangible personal property takes~~
 12 ~~place.~~

13 ~~(ff) "Used directly" means used in the actual process of manufacturing or~~
 14 ~~manufacturing for agricultural purposes.~~

15 ~~(iii) No person shall be entitled to purchase, use, lease, or rent machinery or~~
 16 ~~equipment as defined herein without payment of the tax imposed by R.S. 47:302,~~
 17 ~~321, and 331 before receiving a certificate of exclusion from the secretary of the~~
 18 ~~Department of Revenue certifying that he is a manufacturer as defined herein.~~

19 ~~(iv) The secretary of the Department of Revenue is hereby authorized to~~
 20 ~~adopt rules and regulations in order to administer the exclusion provided for in this~~
 21 ~~Subparagraph.~~

22 ~~(j) For the purpose of the sales and use taxes imposed by the state under R.S.~~
 23 ~~47:302, 321, and 331, the "cost price" of electric power or energy, or natural gas for~~
 24 ~~the period beginning July 1, 2007 and thereafter, purchased or used by paper or wood~~
 25 ~~products manufacturing facilities shall not include any of such cost.~~

26 ~~(k)(i) For purposes of the imposition of the sales and use tax levied by the~~
 27 ~~state under R.S. 47:302, 321, and 331, the tax on the cost price of tangible property~~
 28 ~~consumed in the manufacturing process, such as fuses, belts, felts, wires, conveyor~~

~~belts, lubricants, and motor oils and the tax on the cost price of repairs and maintenance of manufacturing machinery and equipment shall be reduced as follows:~~

~~(aa) For the period beginning July 1, 2010, and ending on June 30, 2011, the state sales and use tax on the cost price shall be reduced by twenty-five percent.~~

~~(bb) For the period beginning July 1, 2011, and ending June 30, 2012, the state sales and use tax on the cost price shall be reduced by fifty percent.~~

~~(cc) For the period beginning July 1, 2012, and ending June 30, 2013, the state sales and use tax on the cost price shall be reduced by seventy-five percent.~~

~~(dd) For all periods beginning on and after July 1, 2013, the state sales and use tax on the cost price shall be reduced by one hundred percent.~~

~~(ii) For purposes of this Subparagraph, "manufacturer" means a person whose principal activity is manufacturing and who is assigned an industry group designation by the United States Census of 3211 through 3222 or 113310 pursuant to the North American Industry Classification System of 2007.~~

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

* * *

~~(i) Any person who sells at retail any tangible personal property to a vending machine operator for resale through coin-operated vending machines.~~

~~(j) Any person who makes deliveries of tangible personal property into the taxing jurisdiction in a vehicle owned or operated by said person.~~

~~(k)~~(j) The term "dealer" shall not include lessors of railroad rolling stock used either for freight or passenger purposes. However, the term "dealer" shall include lessees, other than a railway company or railroad corporation, of such property and such lessees shall be responsible for the collection and payment of all state and local sales and use taxes.

1 ~~(m)~~~~(t)~~(k)~~(i)~~ Any person who sells for delivery into Louisiana tangible
2 personal property, products transferred electronically, or services, and who does not
3 have a physical presence in Louisiana, if during the previous or current calendar year
4 the person's gross revenue for sales delivered into Louisiana has exceeded one
5 hundred thousand dollars from sales of tangible personal property, products
6 transferred electronically, or services.

7 (ii) A person without a physical presence in Louisiana may voluntarily
8 register for and collect state and local sales and use taxes as a dealer, even if they do
9 not meet the criteria established in Item (i) of this Subparagraph.

10 ~~(n)~~~~(t)~~(l)~~(i)~~ Any person who operates, maintains, or facilitates a peer-to-peer
11 vehicle sharing program and collects any amount required to be paid as part of a
12 vehicle sharing program agreement whereby a shared vehicle owner leases or rents
13 a shared vehicle to a shared vehicle driver in this state.

14 (ii) For the purposes of this Subparagraph, the following definitions shall
15 apply:

16 (aa) "Peer-to-peer vehicle sharing" means the authorized use of a vehicle by
17 a person other than the vehicle's owner through a peer-to-peer car sharing program.

18 (bb) "Peer-to-peer vehicle sharing program" means a business platform that
19 connects a shared vehicle owner with a shared vehicle driver to enable the sharing
20 of vehicles for financial consideration.

21 (cc) "Shared vehicle" means a vehicle that is available for sharing through
22 a peer-to-peer vehicle sharing program.

23 (dd) "Shared vehicle driver" means a person who has been authorized to
24 drive the shared vehicle by the shared vehicle owner under a vehicle sharing program
25 agreement.

26 (ee) "Shared vehicle owner" means the registered owner, or a person or
27 entity designated by the registered owner, of a shared vehicle made available for
28 sharing to shared vehicle drivers through a peer-to-peer vehicle sharing program.

1 (ff) "Vehicle sharing program agreement" means the terms and conditions
2 applicable to a shared vehicle owner and a shared vehicle driver that govern the use
3 of a shared vehicle through a peer-to-peer vehicle sharing program.

4 * * *

5 (6)(a) "Hotel" means and includes any establishment or person engaged in
6 the business of furnishing sleeping rooms, cottages, or cabins to transient guests,
7 where such establishment consists of sleeping rooms, cottages, or cabins at any of
8 the following:

9 (i)(a) A single business location.

10 (ii)(b) A residential location, including but not limited to a house, apartment,
11 condominium, camp, cabin, or other building structure used as a residence.

12 (iii)(c) For purposes of this Chapter, hotel shall not mean or include any
13 establishment or person leasing apartments or single family dwelling on a month-to-
14 month basis.

15 (b) ~~For purposes of the sales and use taxes of all tax authorities in this state,~~
16 ~~the term "hotel" as defined herein shall not include camp and retreat facilities owned~~
17 ~~and operated by nonprofit organizations exempt from federal income tax under~~
18 ~~Section 501(a) of the Internal Revenue Code as an organization described in Section~~
19 ~~501(c)(3) of the Internal Revenue Code provided that the net revenue derived from~~
20 ~~the organizations's property is devoted wholly to the nonprofit organization's~~
21 ~~purposes. However, for purposes of this Paragraph, the term "hotel" shall include~~
22 ~~camp and retreat facilities which shall sell rooms or other accommodations to~~
23 ~~transient guests who are not attending a function of such nonprofit organization that~~
24 ~~owns and operates the camp and retreat facilities or a function of another nonprofit~~
25 ~~organization exempt from federal income tax under Section 501(a) of the Internal~~
26 ~~Revenue Code as an organization described in Section 501(c)(3) of the Internal~~
27 ~~Revenue Code. It is the intention of the legislature to tax the furnishing of rooms to~~
28 ~~those who merely purchase lodging at such facilities.~~

1 ~~(c) For purposes of the sales and use taxes of all tax authorities in this state,~~
2 ~~the term "hotel", as defined herein, shall not include a temporary lodging facility~~
3 ~~which is operated by a nonprofit organization described in Section 501(c)(3) of the~~
4 ~~Internal Revenue Code, provided that the facility is devoted exclusively to the~~
5 ~~temporary housing, for periods no longer than thirty days' duration, of homeless~~
6 ~~transient persons whom the organization determines to be financially incapable of~~
7 ~~engaging lodging at a facility defined by Subparagraph (a) of this Paragraph, and~~
8 ~~further provided that the lodging charge to such persons is no greater than twenty~~
9 ~~dollars per day.~~

10 (7)(a) "Lease or rental" means the leasing or renting of tangible personal
11 property and the possession or use thereof by the lessee or renter, for a consideration,
12 without transfer of the title of such property. For the purpose of the leasing or
13 renting of automobiles, "lease" means the leasing of automobiles and the possession
14 or use thereof by the lessee, for a consideration, without the transfer of the title of
15 such that property for a one hundred eighty-day period or more. "Rental" means the
16 renting of automobiles and the possession or use thereof by the renter, for a
17 consideration, without the transfer of the title of such that property for a period less
18 than one hundred eighty days.

19 (b) Solely for purposes of the state sales and use taxes imposed under R.S.
20 47:302, 321, and 331, the term "lease or rental", as herein defined, shall not mean or
21 include the lease or rental made for the purposes of re-lease or re-rental of casing
22 tools and pipe, drill pipe, tubing, compressors, tanks, pumps, power units, other
23 drilling or related equipment used in connection with the operating, drilling,
24 completion, or reworking of oil, gas, sulphur, or other mineral wells.

25 ~~(c) The term "lease or rental", as herein defined shall not mean or include a~~
26 ~~lease or rental of property to be used in performance of a contract with the United~~
27 ~~States Department of the Navy for construction or overhaul of U.S. Naval vessels.~~

28 ~~(d) Solely for purposes of the state sales and use taxes imposed under R.S.~~
29 ~~47:302, 321, and 331, the term "lease or rental", as herein defined, shall not mean the~~

1 ~~lease or rental of airplanes or airplane equipment by a commuter airline domiciled~~
2 ~~in Louisiana.~~

3 ~~(e) For purposes of state and political subdivision sales and use tax, the term~~
4 ~~"lease or rental", as herein defined, shall not mean the lease or rental of items,~~
5 ~~including but not limited to supplies and equipment, which are reasonably necessary~~
6 ~~for the operation of free hospitals.~~

7 ~~(f) For purposes of state and political subdivision sales and use tax, "lease~~
8 ~~or rental" shall not mean the lease or rental of educational materials or equipment~~
9 ~~used for classroom instruction by approved parochial and private elementary and~~
10 ~~secondary schools which comply with the court order from the Dodd Brumfield~~
11 ~~decision and Section 501(c)(3) of the Internal Revenue Code, limited to books,~~
12 ~~workbooks, computers, computer software, films, videos, and audio tapes.~~

13 ~~(g) For purposes of state and political subdivision sales and use tax, "lease~~
14 ~~or rental" shall not mean the lease or rental of tangible personal property to Boys~~
15 ~~State of Louisiana, Inc. and Girls State of Louisiana, Inc. which is used by such~~
16 ~~organizations for their educational and public service programs for youth.~~

17 ~~(h) For purposes of state and political subdivision sales and use tax, the term~~
18 ~~"lease or rental" shall not mean or include the lease or rental of motor vehicles by~~
19 ~~licensed motor vehicle dealers, as defined in R.S. 32:1252(35), or vehicle~~
20 ~~manufacturers, as defined in R.S. 32:1252(24), for their use in furnishing such leased~~
21 ~~or rented motor vehicles to their customers in performance of their obligations under~~
22 ~~warranty agreements associated with the purchase of a motor vehicle or when the~~
23 ~~applicable warranty has lapsed and the leased or rented motor vehicle is provided to~~
24 ~~the customer at no charge.~~

25 ~~(i) For purposes of sales and use taxes levied and imposed by local~~
26 ~~governmental subdivisions, school boards, and other political subdivisions whose~~
27 ~~boundaries are not coterminous with those of the state, "lease or rental" by a person~~
28 ~~shall not mean or include the lease or rental of tangible personal property if such~~
29 ~~lease or rental is made under the provisions of Medicare.~~

1 ~~(j) Solely for purposes of the sales and use tax levied by the state under R.S.~~
2 ~~47:302, 321, and 331, the term "lease or rental" shall not include the lease or rental~~
3 ~~in this state of manufacturing machinery and equipment used or consumed in this~~
4 ~~state to manufacture, produce, or extract unblended biodiesel.~~

5 ~~(k)(i) For purposes of any sales, use, or lease tax levied by the state, or any~~
6 ~~political subdivision of the state, the term "lease or rental" shall not include the lease~~
7 ~~or rental of a crane and related equipment with an operator.~~

8 ~~(ii) Notwithstanding the provisions of Item (i) of this Subparagraph, cranes~~
9 ~~leased or rented with an operator are subject to the provisions of the sales and use tax~~
10 ~~law upon first use in Louisiana.~~

11 ~~(l)(i) For purposes of the sales and use tax levied by the state under R.S.~~
12 ~~47:302, 321, and 331, and by any political subdivision, the term "lease or rental"~~
13 ~~shall not apply to leases or rentals of pallets which are used in packaging products~~
14 ~~produced by a manufacturer.~~

15 ~~(ii) For purposes of this Subparagraph, the term "manufacturer" shall mean~~
16 ~~a person whose primary activity is manufacturing and who is assigned by the~~
17 ~~Louisiana Workforce Commission a North American Industrial Classification~~
18 ~~System code within the manufacturing sectors 31-33 as they existed in 2002.~~

19 ~~(m)(i)(c)(i)~~ For purposes of any sales, use, lease, or rental tax, the term
20 "lease or rental" shall not mean or include the lease or rental of any item of tangible
21 personal property by a short-term equipment rental dealer for the purpose of re-lease
22 or re-rental.

23 (ii) For purposes of this Subparagraph, "short-term equipment rental dealer"
24 shall mean a person or entity whose principal business is the short-term rental of
25 tangible personal property classified under the code numbers 532412 and 532310 of
26 the North American Industry Classification System published by the United States
27 Bureau of the Census.

1 (iii) For purposes of this Subparagraph, "short-term rental" shall mean the
2 rental of an item of tangible personal property for a period of less than three hundred
3 sixty-five days, for an undefined period, or under an open-ended agreement.

4 (8)(a) "Person"; ~~except as provided in Subparagraph (c);~~ includes any
5 individual, firm, copartnership, joint adventure, association, corporation, estate, trust,
6 business trust, receiver, syndicate, this state, any parish, city and parish,
7 municipality, district or other political subdivision thereof or any board, agency,
8 instrumentality, or other group or combination acting as a unit, and the plural as well
9 as the singular number.

10 ~~(b) Solely for purposes of the payment of state sales or use tax on the lease~~
11 ~~or rental or the purchase of tangible personal property or services, "person" shall not~~
12 ~~include a regionally accredited independent institution of higher education which is~~
13 ~~a member of the Louisiana Association of Independent Colleges and Universities;~~
14 ~~if such lease or rental or purchase is directly related to the educational mission of~~
15 ~~such institution. However, the term "person" shall include such institution for~~
16 ~~purposes of the payment of tax on sales by such institution if the sales are not~~
17 ~~otherwise exempt.~~

18 ~~(c)(i) For purposes of the payment of the state sales and use tax and the sales~~
19 ~~and use tax levied by any political subdivision, "person" shall not include this state,~~
20 ~~any parish, city and parish, municipality, district, or other political subdivision~~
21 ~~thereof, or any agency, board, commission, or instrumentality of this state or its~~
22 ~~political subdivisions.~~

23 ~~(ii) Upon request by any political subdivision for an exemption identification~~
24 ~~number, the Department of Revenue shall issue such number. The secretary may~~
25 ~~promulgate rules and regulations in accordance with the Administrative Procedure~~
26 ~~Act to carry out the provisions of this Item.~~

27 ~~(d)(i) For purposes of the payment of the state sales and use tax and the sales~~
28 ~~and use tax levied by any political subdivision, the term "person" shall not include~~
29 ~~a church or synagogue that is recognized by the United States Internal Revenue~~

1 Service as entitled to exemption under Section 501(c)(3) of the United States Internal
2 Revenue Code.

3 (ii) ~~The secretary of the Department of Revenue shall promulgate rules and~~
4 ~~regulations defining the terms "church" and "synagogue" for purposes of this~~
5 ~~exclusion. The definitions shall be consistent with the criteria established by the~~
6 ~~U.S. Internal Revenue Service in identifying organizations that qualify for church~~
7 ~~status for federal income tax purposes.~~

8 (iii) ~~No church or synagogue shall claim exemption or exclusion from the~~
9 ~~state sales and use tax or the sales and use tax levied by any political subdivision~~
10 ~~before having obtained a certificate of authorization from the secretary of the~~
11 ~~Department of Revenue. The secretary shall develop applications for such~~
12 ~~certificates. The certificates shall be issued without charge to the institutions that~~
13 ~~qualify.~~

14 (iv) ~~The exclusion from the sales and use tax authorized by this~~
15 ~~Subparagraph shall apply only to purchases of bibles, song books, or literature used~~
16 ~~for religious instruction classes.~~

17 (e)(i) ~~For purposes of the payment of the state sales and use tax and the sales~~
18 ~~and use tax levied by any political subdivision, the term "person" shall not include~~
19 ~~the Society of the Little Sisters of the Poor.~~

20 (ii) ~~The secretary of the Department of Revenue shall promulgate rules and~~
21 ~~regulations for purposes of this exclusion. The definitions shall be consistent with~~
22 ~~the criteria established by the U.S. Internal Revenue Service in identifying tax-~~
23 ~~exempt status for federal income tax purposes.~~

24 (iii) ~~No member of the Society of the Little Sisters of the Poor shall claim~~
25 ~~exemption or exclusion from the state sales and use tax or the sales and use tax~~
26 ~~levied by any political subdivision before having obtained a certificate of~~
27 ~~authorization from the secretary of the Department of Revenue. The secretary shall~~
28 ~~develop applications for such certificates. The certificates shall be issued without~~
29 ~~charge to the entities which qualify.~~

1 ~~(f)(i) For purposes of the payment of sales and use tax levied by this state~~
2 ~~and any political subdivision whose boundaries are coterminous with those of the~~
3 ~~state, the term "person" shall not include a nonprofit entity which sells donated goods~~
4 ~~and spends seventy-five percent or more of its revenues on directly employing or~~
5 ~~training for employment persons with disabilities or workplace disadvantages.~~

6 ~~(ii) The secretary shall promulgate rules and regulations for the use of~~
7 ~~exclusion certificates for purposes of implementation of this Subparagraph. Each~~
8 ~~nonprofit entity electing to utilize the exclusion provided for in this Subparagraph~~
9 ~~shall apply for an exclusion certificate annually. Any exclusion certificate granted~~
10 ~~by the Department of Revenue shall be effective for a one-year period.~~

11 ~~(iii) The secretary shall provide forms for nonprofit entities to request an~~
12 ~~exclusion certificate.~~

13 * * *

14 ~~(10)(a)(i) Solely for the~~ For purposes of the imposition of ~~the state sales and~~
15 ~~use tax~~ taxes levied by any taxing authority, "retail sale" or "sale at retail" means a
16 sale to a consumer or to any other person for any purpose other than for resale as
17 tangible personal property, ~~or for the lease of automobiles in an arm's length~~
18 ~~transaction,~~ or resale of a service provided for in R.S. 47:301.3 provided the retail
19 sale of the service is subject to sales tax in this state and shall mean and include all
20 such transactions ~~as~~ that the secretary, upon investigation, finds to be in lieu of sales;
21 provided that sales for resale ~~or for lease of automobiles in an arm's length~~
22 ~~transaction must~~ shall be made in strict compliance with the rules and regulations.
23 ~~Any dealer making a sale for resale or for the lease of automobiles, which is not in~~
24 ~~strict compliance with the rules and regulations, shall himself be liable for and pay~~
25 ~~the tax.~~

26 ~~(ii) Solely for purposes of the imposition of the sales and use tax levied by~~
27 ~~a political subdivision or school board, "retail sale" or "sale at retail" shall mean a~~
28 ~~sale to a consumer or to any other person for any purpose other than for resale in the~~
29 ~~form of tangible personal property, or resale of those services defined in Paragraph~~

1 ~~(14) of this Section provided the retail sale of the service is subject to sales tax in this~~
2 ~~state, and shall mean and include all such transactions as the collector, upon~~
3 ~~investigation, finds to be in lieu of sales; provided that sales for resale be made in~~
4 ~~strict compliance with the rules and regulations. Any dealer making a sale for resale,~~
5 ~~which is not in strict compliance with the rules and regulations shall himself be liable~~
6 ~~for and pay the tax. A local collector shall accept a resale certificate issued by the~~
7 ~~Department of Revenue, provided the taxpayer includes the parish of its principal~~
8 ~~place of business and local sales tax account number on the state certificate.~~
9 ~~However, in the case of an intra-parish transaction from dealer to dealer, the~~
10 ~~collector may require that the local exemption certificate be used in lieu of the state~~
11 ~~certificate. The department shall accommodate the inclusion of such this information~~
12 ~~on its resale certificate for such these purposes.~~

13 ~~(iii) "Retail sale" or "sale at retail" for purposes of sales and use taxes~~
14 ~~imposed by the state on transactions involving the sale for rental of automobiles~~
15 ~~which take place on or after January 1, 1991, and by political subdivisions on such~~
16 ~~transactions on or after July 1, 1996, and state sales and use taxes imposed on~~
17 ~~transactions involving the lease or rental of tangible personal property other than~~
18 ~~automobiles which take place on or after July 1, 1991, means a sale to a consumer~~
19 ~~or to any other person for any purpose other than for resale as tangible personal~~
20 ~~property, or for lease or rental in an arm's length transaction in the form of tangible~~
21 ~~personal property, and shall mean and include all such transactions as the secretary,~~
22 ~~upon investigation, finds to be in lieu of sales; provided that sales for resale or for~~
23 ~~lease or rental in an arm's length transaction must be made in strict compliance with~~
24 ~~the rules and regulations. Any dealer making a sale for resale or for lease or rental,~~
25 ~~which is not in strict compliance with the rules and regulations, shall himself be~~
26 ~~liable for and pay the tax. For purposes of the imposition of the tax imposed by any~~
27 ~~political subdivision of the state, for the period beginning on July 1, 1999, and~~
28 ~~ending on June 30, 2000, the term "retail sale" or "sale at retail" shall not include~~
29 ~~one-fourth of the sales price of any tangible personal property which is sold in order~~

1 to be leased or rented in an arm's length transaction in the form of tangible personal
2 property. For purposes of the imposition of the tax imposed by any political
3 subdivision of the state, for the period beginning on July 1, 2000, and ending on June
4 30, 2001, the term "retail sale" or "sale at retail" shall not include one-half of the
5 sales price of any tangible personal property which is sold in order to be leased or
6 rented in an arm's length transaction in the form of tangible personal property. For
7 purposes of the imposition of the tax imposed by any political subdivision of the
8 state, for the period beginning on July 1, 2001, and ending on June 30, 2002, the
9 term "retail sale" or "sale at retail" shall not include three-fourths of the sales price
10 of any tangible personal property which is sold in order to be leased or rented in an
11 arm's length transaction in the form of tangible personal property. Beginning July
12 1, 2002, for the purposes of imposition of the tax levied by any political subdivision
13 of the state, the term "retail sale" or "sale at retail" shall not include the sale of any
14 tangible personal property which is sold in order to be leased or rented in an arm's
15 length transaction in the form of tangible personal property.

16 (iv) ~~"Retail sale" or "sale at retail", for purposes of sales and use taxes~~
17 ~~imposed by the state on transactions involving the sale for rental of automobiles~~
18 ~~which take place prior to January 1, 1991, and by political subdivisions on such~~
19 ~~transactions prior to July 1, 1996, and imposed on transactions involving the lease~~
20 ~~or rental of tangible personal property other than autos which take place prior to July~~
21 ~~1, 1991, and for purposes of local sales and use taxes levied by political subdivisions~~
22 ~~except for transactions involving the sale for rental of automobiles on or after July~~
23 ~~1, 1996, means a sale to a consumer or to any other person for any purpose other~~
24 ~~than for resale in the form of tangible personal property, and shall mean and include~~
25 ~~all such transactions as the secretary, upon investigation, finds to be in lieu of sales;~~
26 ~~provided that sales for resale must be made in strict compliance with the rules and~~
27 ~~regulations. Any dealer making a sale for resale, which is not in strict compliance~~
28 ~~with the rules and regulations, shall himself be liable for and pay the tax. However,~~
29 ~~contrary provisions of law notwithstanding, any political subdivision may, by~~

1 ordinance, adopt the definition of "retail sale" or "sale at retail" provided in Item (iii)
2 of this Subparagraph for purposes of the imposition of its sales and use tax.

3 ~~(vi) Solely for purposes of the payment of state sales and use tax, until~~
4 ~~January 1, 2007, the term "sale at retail" shall not include purchases made in~~
5 ~~connection with the filming or production of a motion picture by a motion picture~~
6 ~~production company which has been relieved from the payment of state sales and use~~
7 ~~tax under the provisions of Chapter 12 of Subtitle II of this Title, also known as the~~
8 ~~"Louisiana Motion Picture Incentive Act". This exclusion shall be retroactively~~
9 ~~revoked if it is determined that a motion picture production company that has been~~
10 ~~relieved from payment of state sales and use tax under Chapter 12 failed to meet the~~
11 ~~conditions of such relief.~~

12 ~~(b)(i) Solely for purposes of the sales and use tax levied by the state, the sale~~
13 ~~of tangible personal property to a dealer who purchases said property for resale~~
14 ~~through coin-operated vending machines shall be considered a "sale at retail", subject~~
15 ~~to such tax. The subsequent resale of the property by the dealer through~~
16 ~~coin-operated vending machines shall not be considered a "sale at retail".~~

17 ~~(ii) Solely for purposes of the sales and use tax levied by political~~
18 ~~subdivisions, the term "sale at retail" shall include the sale of tangible personal~~
19 ~~property by a dealer through coin-operated vending machines.~~

20 ~~(c)(i)(aa) The term "sale at retail" does not include sale of materials for~~
21 ~~further processing into articles of tangible personal property for sale at retail when~~
22 ~~all of the criteria in Subsubitem (I) of this Subitem are met.~~

23 ~~(I)(aaa) The raw materials become a recognizable and identifiable~~
24 ~~component of the end product.~~

25 ~~(bbb) The raw materials are beneficial to the end product.~~

26 ~~(ccc) The raw materials are material for further processing, and as such, are~~
27 ~~purchased for the purpose of inclusion into the end product.~~

1 ~~(H) For purposes of this Subitem, the term "sale at retail" shall not include~~
2 ~~the purchase of raw materials for the production of raw or processed agricultural,~~
3 ~~silvicultural, or aquacultural products.~~

4 ~~(H)(aaa) If the materials are further processed into a byproduct for sale,~~
5 ~~such purchases of materials shall not be deemed to be sales for further processing~~
6 ~~and shall be taxable. For purposes of this Subitem, the term "byproduct" shall mean~~
7 ~~any incidental product that is sold for a sales price less than the cost of the materials.~~

8 ~~(bbb) In the event a byproduct is sold at retail in this state for which a sales~~
9 ~~and use tax has been paid by the seller on the cost of the materials, which materials~~
10 ~~are used partially or fully in the manufacturing of the byproduct, a credit against the~~
11 ~~tax paid by the seller shall be allowed in an amount equal to the sales tax collected~~
12 ~~and remitted by the seller on the taxable retail sale of the byproduct.~~

13 ~~(bb) Solely for purposes of the sales and use tax levied by the state, natural~~
14 ~~gas when used in the production of iron in the process known as the "direct reduced~~
15 ~~iron process" is not a catalyst and is recognized by the legislature to be a material for~~
16 ~~further processing into an article of tangible personal property for sale at retail.~~

17 ~~(ii)(aa) Solely for purposes of the sales and use tax levied by the state, the~~
18 ~~term "sale at retail" does not include sales of electricity for chlor-alkali~~
19 ~~manufacturing processes.~~

20 ~~(bb) The term "sale at retail" does not include an isolated or occasional sale~~
21 ~~of tangible personal property by a person not engaged in such business.~~

22 ~~(d) The term "sale at retail" does not include the sale of any human tissue~~
23 ~~transplants, which shall be defined to include all human organs, bone, skin, cornea,~~
24 ~~blood, or blood products transplanted from one individual into another recipient~~
25 ~~individual.~~

26 ~~(e) The term "sale at retail" does not include the sale of raw agricultural~~
27 ~~commodities, including but not limited to feed, seed, and fertilizer, to be utilized in~~
28 ~~preparing, finishing, manufacturing, or producing crops or animals for market by a~~
29 ~~commercial farmer as defined in R.S. 47:301(30).~~

1 ~~(f) Notwithstanding any other law to the contrary, for purposes of the~~
2 ~~imposition of the sales and use tax of any political subdivision, the sale of a vehicle~~
3 ~~subject to the Vehicle Registration License Tax Law (R.S. 47:451 et seq.) shall be~~
4 ~~deemed to be a "retail sale" or a "sale at retail":~~

5 ~~(i) In the political subdivision of the principal residence of the purchaser if~~
6 ~~the vehicle is purchased for private use, or~~

7 ~~(ii) In the political subdivision of the principal location of the business if the~~
8 ~~vehicle is purchased for commercial use, unless the vehicle purchased for~~
9 ~~commercial use is assigned, garaged, and used outside of such political subdivision,~~
10 ~~in which case the sale shall be deemed a "retail sale" or a "sale at retail" in the~~
11 ~~political subdivision where the vehicle is assigned, garaged, and used:~~

12 ~~(g) The term "retail sale" does not include a sale of corporeal movable~~
13 ~~property which is intended for future sale to the United States government or its~~
14 ~~agencies, when title to such property is transferred to the United States government~~
15 ~~or its agencies prior to the incorporation of that property into a final product.~~

16 ~~(h) The term "sale at retail" does not include the sale of food items by youth~~
17 ~~serving organizations chartered by congress:~~

18 ~~(i) The term "sale at retail" does not include the purchase of a new school~~
19 ~~bus or a used school bus that is less than five years old when the bus is to be used~~
20 ~~exclusively for public elementary or secondary schools, public elementary or~~
21 ~~secondary laboratory schools that are operated by a public college or university, or~~
22 ~~nonpublic elementary or secondary schools approved by the State Board of~~
23 ~~Elementary and Secondary Education. As used in this Subparagraph, "school bus"~~
24 ~~includes only a bus that meets or exceeds the safety specifications for school buses~~
25 ~~established by the state Department of Education, is painted national school bus~~
26 ~~chrome in the shade designated by the State Board of Elementary and Secondary~~
27 ~~Education, and is purchased from a dealer licensed under the provisions of R.S.~~
28 ~~32:791 or 1254. This exclusion shall apply to all sales and use taxes levied by any~~
29 ~~local political subdivision.~~

1 ~~(j) The term "sale at retail" does not include the sale of tangible personal~~
2 ~~property to food banks, as defined in R.S. 9:2799.~~

3 ~~(k) The term "sale at retail" shall not include the sale of airplanes or airplane~~
4 ~~equipment or parts to a commuter airline domiciled in Louisiana.~~

5 ~~(l) Solely for purposes of the state sales and use tax imposed under R.S.~~
6 ~~47:302, 321, and 331, the term "sale at retail" shall not include the sale of a pollution~~
7 ~~control device or system. Pollution control device or system shall mean any tangible~~
8 ~~personal property approved by the Department of Revenue and the Department of~~
9 ~~Environmental Quality and sold or leased and used or intended for the purpose of~~
10 ~~eliminating, preventing, treating, or reducing the volume or toxicity or potential~~
11 ~~hazards of industrial pollution of air, water, groundwater, noise, solid waste, or~~
12 ~~hazardous waste in the state of Louisiana. For the purposes of any sales and use tax~~
13 ~~levied by a political subdivision, the term "sale at retail" shall include the sale of a~~
14 ~~pollution control device or system. In order to qualify, the pollution control device~~
15 ~~or system must demonstrate either: a net decrease in the volume or toxicity or~~
16 ~~potential hazards of pollution as a result of the installation of the device or system;~~
17 ~~or that installation is necessary to comply with federal or state environmental laws~~
18 ~~or regulations.~~

19 ~~(m) For purposes of sales and use taxes imposed or levied by the state or any~~
20 ~~political subdivision, the term "sale at retail" shall not include the sales of Louisiana-~~
21 ~~manufactured or Louisiana-assembled passenger aircraft with a maximum capacity~~
22 ~~of eight persons, if, after all transportation, including transportation by the purchaser,~~
23 ~~has been completed, the aircraft is ultimately received by the purchaser outside of~~
24 ~~Louisiana. The place at which the aircraft is ultimately received shall be considered~~
25 ~~as the place at which the aircraft is stored after all transportation has been completed.~~

26 ~~(n) For purposes of the sales and use taxes imposed by the state under R.S.~~
27 ~~47:302, 321, and 331, and the sales and use taxes imposed by any political~~
28 ~~subdivision, the term "sale at retail" shall not include the sales of pelletized paper~~
29 ~~waste when purchased for use as combustible fuel by an electric utility or in an~~

1 industrial manufacturing, processing, compounding, reuse, or production process,
2 including the generation of electricity or process steam, at a fixed location in this
3 state. However, such sale shall not be excluded unless the purchaser has signed a
4 certificate stating that the fuel purchased is for the exclusive use designated herein.
5 For purposes of this Subparagraph, "pelletized paper waste" means pellets produced
6 from discarded waste paper that has been diverted or removed from solid waste
7 which is not marketable for recycling and which is wetted, extruded, shredded, or
8 formulated into compact pellets of various sizes for use as a supplemental fuel in a
9 permitted boiler.

10 (o) For the purposes of sales and use taxes imposed or levied by the state or
11 any local government subdivision or school board, the term "sale at retail" shall not
12 include the sale or purchase of equipment used in fire fighting by bona fide volunteer
13 and public fire departments.

14 (p) For purposes of state and political subdivision sales and use tax, the term
15 "sale at retail" shall not include the sale of items, including but not limited to
16 supplies and equipment, or the sale of services as provided in this Section, which are
17 reasonably necessary for the operation of free hospitals.

18 (q) For purposes of state and political subdivision sales and use tax, the term
19 "sale at retail" shall not include:

20 (i) The sale of tangible personal property by approved parochial and private
21 elementary and secondary schools which comply with the court order from the Dodd
22 Brumfield decision and Section 501(c)(3) of the Internal Revenue Code, or students,
23 administrators, or teachers, or other employees of the school, if the money from such
24 sales, less reasonable and necessary expenses associated with the sale, is used solely
25 and exclusively to support the school or its program or curricula. This exclusion
26 shall not be construed to allow tax-free sales to students or their families by
27 promoters or regular commercial dealers through the use of schools, school faculty,
28 or school facilities.

1 (ii) ~~The sale to approved parochial and private elementary and secondary~~
2 schools which comply with the court order from the Dodd Brumfield decision and
3 Section 501(c)(3) of the Internal Revenue Code of educational materials or
4 equipment used for classroom instruction limited to books, workbooks, computers,
5 computer software, films, videos, and audio tapes.

6 (t) ~~For purposes of state and political subdivision sales and use tax, the term~~
7 "sale at retail" shall not include the sale of tangible personal property to Boys State
8 of Louisiana, Inc. and Girls State of Louisiana, Inc. which is used by such
9 organizations for their educational and public service programs for youth.

10 (s) ~~The term "sale at retail" or "retail sale", for purposes of sales and use~~
11 taxes imposed by the state or any political subdivision or other taxing entity, shall
12 not include any charge, fee, money, or other consideration received, given, or paid
13 for the performance of funeral directing services. For purposes of this Subparagraph,
14 "funeral directing services" means the operation of a funeral home, or by way of
15 illustration and not limitation, any service whatsoever connected with the
16 management of funerals, or the supervision of hearses or funeral cars, the cleaning
17 or dressing of dead human bodies for burial, and the performance or supervision of
18 any service or act connected with the management of funerals from time of death
19 until the body or bodies are delivered to the cemetery, crematorium, or other agent
20 for the purpose of disposition. However, such services shall not mean or include the
21 sale, lease, rental, or use of any tangible personal property as those terms are defined
22 in this Section.

23 (t) ~~For purposes of the sales and use taxes imposed by the state under R.S.~~
24 47:302, 321, and 331, and the sales and use taxes imposed by any political
25 subdivision, the term "sale at retail" shall not include the transfer of title to or
26 possession of telephone directories by an advertising company that is not affiliated
27 with a provider of telephone services if the telephone directories will be distributed
28 free of charge to the recipients of the telephone directories.

1 ~~(u) For purposes of sales and use taxes levied and imposed by local~~
2 ~~governmental subdivisions, school boards, and other political subdivisions whose~~
3 ~~boundaries are not coterminous with those of the state, "sale at retail" by a person~~
4 ~~shall not mean or include the sale of tangible personal property if such sale is made~~
5 ~~under the provisions of Medicare.~~

6 ~~(v) For purposes of the sales and use taxes imposed by the state under R.S.~~
7 ~~47:302, 321, and 331, and the sales and use taxes imposed by any political~~
8 ~~subdivision, in the case of the sale or other disposition by a dealer of any cellular,~~
9 ~~PCS, or wireless telephone, or any electronic accessories that are physically~~
10 ~~connected with such telephones and personal communication devices used in~~
11 ~~connection with the sale or use of mobile telecommunications services, the term~~
12 ~~"retail sale" or "sale at retail" shall mean and include the sale or any other disposition~~
13 ~~of such cellular, PCS, or wireless telephone, any electronic accessories that are~~
14 ~~physically connected with such telephones and personal communication devices by~~
15 ~~the dealer to the purchaser, but shall not mean or include the withdrawal, use,~~
16 ~~distribution, consumption, storage, donation, or any other disposition of any such~~
17 ~~cellular, PCS, or wireless telephone, any electronic accessories that are physically~~
18 ~~connected with such telephones, and personal communication devices by the dealer.~~

19 ~~(w) For purposes of the imposition of sales and use taxes imposed or levied~~
20 ~~by any political subdivision of the state, in the case of the sale or other disposition~~
21 ~~by a dealer of any cellular telephone, PCS telephone, wireless telephone, or other~~
22 ~~wireless personal communication device that is used in connection with the sale or~~
23 ~~use of mobile telecommunications services, or any electronic accessory that is~~
24 ~~physically connected with any such telephone or personal communication device, the~~
25 ~~term "retail sale" or "sale at retail" shall mean and include the sale or any other~~
26 ~~disposition of any such telephone, other personal communication device, or~~
27 ~~electronic accessory.~~

1 (x) For purposes of the sales and use tax imposed by the state or any political
 2 subdivision whose boundaries are coterminous with those of the state, the terms
 3 "retail sale" or "sale at retail" shall not include the following:

4 (i) ~~The sale or purchase by a consumer of any fuel or gas, including but not~~
 5 ~~limited to, butane and propane, for residential use by the consumer.~~

6 (ii) ~~Beginning July 1, 2008, the sale or purchase by any person of butane and~~
 7 ~~propane.~~

8 (y)(i) ~~Solely for the purposes of sales and use taxes levied by the state under~~
 9 ~~R.S. 47:302, 321, and 331, the term "sale at retail" shall not include the sale of~~
 10 ~~manufacturing machinery and equipment used or consumed in this state to~~
 11 ~~manufacture, produce, or extract unblended biodiesel.~~

12 (ii) ~~As used in this Subparagraph, the following words and phrases have the~~
 13 ~~meaning ascribed to them:~~

14 (aa) ~~"Manufacturing machinery and equipment" means tangible property~~
 15 ~~used or consumed, or held for use or consumption, as an integral part of a biodiesel~~
 16 ~~manufacturing, production, or extraction facility, process, or item of equipment.~~
 17 ~~Property shall be considered to be an integral part of such biodiesel manufacturing,~~
 18 ~~production, or extraction facility, process, or item of equipment only if such property~~
 19 ~~is used or consumed directly in the manufacturing, production, or extraction process~~
 20 ~~or is part of, physically attached to, or otherwise directly associated with such~~
 21 ~~property. Property, the installation of which is reasonably necessary for the proper~~
 22 ~~installation, operation, maintenance of property which directly results in such~~
 23 ~~manufacturing, production, or extraction shall be considered as directly associated~~
 24 ~~with such property.~~

25 (bb) ~~"Unblended biodiesel" means a fuel comprised of mono-alkyl esters of~~
 26 ~~long chain fatty acids derived from vegetable oils or animal fats, designated B100,~~
 27 ~~and meeting the requirements of the definition provided for in D 6751 of the~~
 28 ~~American Society of Testing and Materials (ATDM D 6751), before such fuel is~~
 29 ~~blended with a petroleum-based diesel fuel.~~

1 ~~(aa)(i) For purposes of sales and use taxes imposed or levied by the state or~~
2 ~~any political subdivision of the state, the term "sale at retail" shall not include the~~
3 ~~sale of toys to a non-profit organization exempt from federal taxation pursuant to~~
4 ~~Section 501(c)(3) of the Internal Revenue Code if the sole purpose of the purchasing~~
5 ~~organization is to donate toys to minors and the toys are, in fact, donated.~~

6 ~~(ii) The exclusion provided in this Subparagraph shall not apply if the~~
7 ~~donation is intended to ultimately yield a profit to a promoter of the organization or~~
8 ~~to any individual contracted to provide services or equipment, or both, to the~~
9 ~~organization.~~

10 ~~(iii) A certificate of exclusion shall be obtained from the secretary or the tax~~
11 ~~collector of the political subdivision, under such regulations as he shall prescribe, in~~
12 ~~order for nonprofit organizations to qualify for the exclusion provided for in this~~
13 ~~Subparagraph.~~

14 ~~(bb) For purposes of sales and use taxes imposed or levied by the state under~~
15 ~~R.S. 47:302, 321, and 331, the terms "retail sale" and "sale at retail" shall not include~~
16 ~~sales of natural gas to be held, used, or consumed in providing natural gas storage~~
17 ~~services or operating natural gas storage facilities.~~

18 ~~(cc) For purposes of the sales and use tax imposed by the state or any~~
19 ~~political subdivision of the state, the terms "retail sale" or "sale at retail" shall not~~
20 ~~mean or include the purchase of textbooks and course-related software by a private~~
21 ~~postsecondary academic degree-granting institution, accredited by a national or~~
22 ~~regional commission that is recognized by the United States Department of~~
23 ~~Education and is licensed by the Board of Regents, which institution has its main~~
24 ~~location within this state and offers only online instruction, when all of the following~~
25 ~~apply:~~

26 ~~(i) The textbooks and course-related software are physically outside of this~~
27 ~~state when purchased from a vendor outside of this state and then imported into this~~
28 ~~state.~~

1 (ii) ~~The first student use of the textbooks and course-related software occurs~~
2 ~~outside of this state.~~

3 (iii) ~~The textbooks and course-related software are provided to the student~~
4 ~~free of charge.~~

5 (dd) ~~For purposes of sales and use taxes imposed or levied by the state, the~~
6 ~~terms "retail sale" or "sale at retail" shall not include the purchase of food items for~~
7 ~~school lunch or breakfast programs by nonpublic elementary or secondary schools~~
8 ~~which participate in the National School Lunch and School Breakfast programs or~~
9 ~~the purchase of food items by nonprofit corporations which serve students in~~
10 ~~nonpublic elementary or secondary schools and which participate in the National~~
11 ~~School Lunch and School Breakfast programs.~~

12 ~~(ee)(i) Solely for the purposes of the imposition of the state sales and use tax~~
13 ~~imposed under R.S. 47:302, 321, and 331, the term "retail sale" and "sale at retail"~~
14 ~~shall not include the sale of any storm shutter device.~~

15 (ii) ~~As used in this Subparagraph, "storm shutter device" means materials~~
16 ~~and products manufactured, rated, and marketed specifically for the purpose of~~
17 ~~preventing window damage from storms.~~

18 (iii) ~~The secretary of the Department of Revenue, in consultation with the~~
19 ~~Department of Insurance, shall promulgate such rules and regulations in accordance~~
20 ~~with the Administrative Procedure Act as may be necessary to carry out the~~
21 ~~provisions of this Subparagraph.~~

22 (ff) ~~For purposes of sales taxes imposed by the state or any political~~
23 ~~subdivision of the state, the term "retail sale" or "sale at retail" shall not include sales~~
24 ~~of tangible personal property by the Military Department, state of Louisiana, which~~
25 ~~occur on an installation or other property owned or operated by the Military~~
26 ~~Department.~~

27 (gg) ~~For purposes of sales and use tax imposed by the state under R.S.~~
28 ~~47:302, 321, and 331 or any political subdivision of the state, the term "sale at retail"~~
29 ~~shall not include the sale of anthropogenic carbon dioxide for use in a qualified~~

1 ~~tertiary recovery project approved by the assistant secretary of the office of~~
2 ~~conservation of the Department of Energy and Natural Resources pursuant to R.S.~~
3 ~~47:633.4.~~

4 ~~(hh) For purposes of sales and use tax imposed by the state under R.S.~~
5 ~~47:302, 321, and 331, or any other political subdivision, the term "sale at retail" shall~~
6 ~~not include the sale of tangible personal property at an event providing Louisiana~~
7 ~~heritage, culture, crafts, art, food, and music which is sponsored by a domestic~~
8 ~~nonprofit organization that is exempt from tax under Section 501(c)(3) of the~~
9 ~~Internal Revenue Code. The provisions of this Subparagraph shall apply only to an~~
10 ~~event which transpires over a minimum of seven but not more than twelve days and~~
11 ~~has a five-year annual average attendance of at least three hundred thousand over the~~
12 ~~duration of the event. For purposes of determining the five-year annual average~~
13 ~~attendance, the calculation shall include the total annual attendance for each of the~~
14 ~~five most recent years. The provisions of this Subparagraph shall apply only to sales~~
15 ~~by the sponsor of the event.~~

16 ~~(ii) For purposes of sales and use tax imposed by the state or any political~~
17 ~~subdivision of the state, the term "retail sale" or "sale at retail" shall not include~~
18 ~~marijuana recommended for therapeutic use by patients clinically diagnosed as~~
19 ~~suffering from a debilitating medical condition as defined in R.S. 40:1046.~~

20 * * *

21 (13)(a) "Sales price" means the total amount for which tangible personal
22 property is sold, less the market value of any article traded in including any services,
23 except services for financing which shall not exceed the legal interest rate and a
24 service charge not to exceed six percent of the amount financed, and losses, that are
25 a part of the sale valued in money, whether paid in money or otherwise, and includes
26 the cost of materials used, labor or service costs, including service costs for
27 installation, and transportation charges ~~except costs for financing which shall not~~
28 ~~exceed the legal interest rate and a service charge not to exceed six percent of the~~
29 ~~amount financed, and losses;~~ provided that cash discounts allowed and taken on sales

1 shall not be included; ~~nor~~ Sales price shall ~~the sales price~~ not include the amount
 2 charged for labor or services rendered in installing, applying, remodeling, or
 3 repairing property sold if that charge is separately billed to the customer at the time
 4 of the sale.

5 (b) The term "sales price" shall not include any amount designated as a cash
 6 discount or a rebate by the vendor or manufacturer of any new vehicle subject to the
 7 motor vehicle license tax. For purposes of this Paragraph "rebate" means any
 8 amount offered by a vendor or manufacturer as a deduction from the listed retail
 9 price of the vehicle.

10 (c) ~~"Sales price" shall not include the first fifty thousand dollars of the sale~~
 11 ~~price of new farm equipment used in poultry production.~~

12 (d) Notwithstanding any other provision of law to the contrary, for purposes
 13 of state and political subdivision sales and use tax, the "sales price" of refinery gas,
 14 except for feedstock, not ultimately consumed as an energy source by the person who
 15 owns the facility in which the refinery gas is created as provided for in Subparagraph
 16 ~~(18)(d)~~ (18)(c) of this Section, but sold to another person, whether at retail or
 17 wholesale, shall be fifty-two cents per thousand cubic feet multiplied by a fraction
 18 the numerator of which shall be the posted price for a barrel of West Texas
 19 Intermediate Crude Oil on December first of the preceding calendar year and the
 20 denominator of which shall be twenty-nine dollars, and provided further that ~~such~~
 21 the sales price shall be the maximum value placed upon refinery gas by the state and
 22 by any political subdivision under any authority or grant of power to levy and collect
 23 sales or use taxes, and ~~such~~ the sale shall be taxable.

24 (e) ~~The term "sales price", solely for purposes of the state sales and use taxes~~
 25 ~~imposed under R.S. 47:302, 321, and 331 and those of its political subdivisions, shall~~
 26 ~~exclude any amount that a manufacturer pays directly to a dealer of the~~
 27 ~~manufacturer's product for the purpose of reducing and that actually results in an~~
 28 ~~equivalent reduction in the retail "sales price" of that product. This exclusion shall~~
 29 ~~not apply to the value of the manufacturer's coupons that dealers accept from~~

1 purchasers as part payment of the "sales price" and that are redeemable by the
2 dealers through manufacturers or their agents. The value of such coupons is deemed
3 to be part of the "sales price" of the product purchased through the use of the
4 coupons.

5 (f) ~~The term "sales price" shall exclude any charge, fee, money, or other~~
6 ~~consideration received, given, or paid for the performance of funeral directing~~
7 ~~services as defined in Subparagraph (10)(s) of this Section.~~

8 (g) ~~Solely for purposes of the imposition of state sales and use taxes imposed~~
9 ~~under R.S. 47:302, 321, and 331 and those of all other taxing authorities in the state,~~
10 ~~in the case of the retail sale by a dealer of any cellular, PCS, or wireless telephone,~~
11 ~~any electronic accessories that are physically connected with such telephones and~~
12 ~~personal communications devices used in connection with the sale or use of mobile~~
13 ~~telecommunications services, as defined in R.S. 47:301(10)(v), the term "sales price"~~
14 ~~shall mean and include only the amount of money, if any, actually received by the~~
15 ~~dealer from the purchaser for each such cellular, PCS, or wireless telephone and any~~
16 ~~electronic accessories that are physically connected with such telephones and~~
17 ~~personal communication devices, but shall not include (i) any amount received by~~
18 ~~the dealer from the purchaser for providing mobile telecommunications services, or~~
19 ~~(ii) any commissions, fees, rebates, or other amounts received by the dealer from any~~
20 ~~source other than the purchaser as a result of or in connection with the sale of the~~
21 ~~cellular, PCS, or wireless telephone, any electronic accessories that are physically~~
22 ~~connected with such telephones and personal communication devices.~~

23 (h) ~~Solely for the purpose of state sales and use taxes imposed by the state~~
24 ~~under R.S. 47:302, 321, and 331 and those of all other taxing authorities in the state~~
25 ~~of any cellular, PCS, or wireless telephone used in connection with the sale or use~~
26 ~~of mobile telecommunications services, as defined in R.S. 47:301(10)(v), after~~
27 ~~January 1, 2002, the term "sales price" shall mean and include the greater of (i) the~~
28 ~~amount of money actually received by the dealer from the purchaser for each such~~
29 ~~telephone, or (ii) twenty-five percent of the cost of such telephone to the dealer, but~~

1 shall not include any amount received by the dealer from the purchaser for providing
2 mobile telecommunications services or any commissions, fees, rebates, or other
3 amounts received by the dealer from any source other than the purchaser as a result
4 of or in connection with the sale of the telephone.

5 (i)(i) ~~For purposes of a publishing business which distributes its news~~
6 ~~publications at no cost to readers and pays unrelated third parties to print such news~~
7 ~~publications, the term "sales price" shall mean only the lesser of the following costs:~~

8 (aa) ~~The printing cost paid to unrelated third parties to print such news~~
9 ~~publications, less any itemized freight charges for shipping the news publications~~
10 ~~from the printer to the publishing business and any itemized charges for paper and~~
11 ~~ink.~~

12 (bb) ~~Payments to a dealer or distributor as consideration for distribution of~~
13 ~~the news publications.~~

14 (ii) ~~The definition of "sales price" provided for in this Subparagraph shall be~~
15 ~~applicable to taxes levied by all tax authorities in the state.~~

16 (j) ~~For the purpose of the imposition of sales and use tax imposed or levied~~
17 ~~by any political subdivision of the state, in the case of any retail sale or sale at retail,~~
18 ~~of any cellular telephone, PCS telephone, or wireless telephone used in connection~~
19 ~~with the sale or use of mobile telecommunications services, as defined in R.S.~~
20 ~~47:301(10)(w), or any electronic accessory that is physically connected with any~~
21 ~~such telephone or personal communication device, the term "sales price" shall mean~~
22 ~~and include the greater of (i) the amount of money, if any, actually received by the~~
23 ~~dealer from the purchaser at the time of the retail sale or sale at retail by the dealer~~
24 ~~to the purchaser for each such telephone, personal communication device, or~~
25 ~~electronic accessory, or (ii) twenty-five percent of the cost of such telephone to the~~
26 ~~dealer, but shall not include any amount received by the dealer from the purchaser~~
27 ~~for providing mobile telecommunications services or any commissions, fees, rebates,~~
28 ~~activation charges, or other amounts received by the dealer from any source other~~
29 ~~than the purchaser as a result of or in connection with the sale of the telephone.~~

1 ~~(k)(i) For purposes of the imposition of the sales tax levied by the state under~~
2 ~~R.S. 47:302, 321, and 331, the sales price of machinery and equipment purchased by~~
3 ~~a manufacturer for use in a plant facility predominately and directly in the actual~~
4 ~~manufacturing for agricultural purposes or the actual manufacturing process of an~~
5 ~~item of tangible personal property, which is for ultimate sale to another and not for~~
6 ~~internal use, at one or more fixed locations within Louisiana shall be reduced as~~
7 ~~follows:~~

8 ~~(aa) For the period ending on June 30, 2005, the sales price shall be reduced~~
9 ~~by five percent.~~

10 ~~(bb) For the period beginning July 1, 2005, and ending on June 30, 2006, the~~
11 ~~sales price shall be reduced by nineteen percent.~~

12 ~~(cc) For the period beginning July 1, 2006, and ending on June 30, 2007, the~~
13 ~~sales price shall be reduced by thirty-five percent.~~

14 ~~(dd) For the period beginning July 1, 2007, and ending on June 30, 2008, the~~
15 ~~sales price shall be reduced by fifty-four percent.~~

16 ~~(ee) For the period beginning July 1, 2008, and ending on June 30, 2009, the~~
17 ~~sales price shall be reduced by sixty-eight percent.~~

18 ~~(ff) For all periods beginning on or after July 1, 2009, the sales price shall~~
19 ~~be reduced by one hundred percent.~~

20 ~~(ii) For purposes of this Subparagraph, "machinery and equipment",~~
21 ~~"manufacturer", "manufacturing", "manufacturing for agricultural purposes", "plant~~
22 ~~facility", and "used directly" shall have the same meaning as defined in R.S.~~
23 ~~47:301(3)(i)(ii).~~

24 ~~(iii) No person shall be entitled to purchase, use, lease, or rent machinery or~~
25 ~~equipment as defined herein without payment of the tax imposed by R.S. 47:302,~~
26 ~~321, and 331 before receiving a certificate of exclusion from the secretary of the~~
27 ~~Department of Revenue certifying that he is a manufacturer as defined herein.~~

1 ~~(iv) The secretary of the Department of Revenue is hereby authorized to~~
2 ~~adopt rules and regulations in order to administer the exclusion provided for in this~~
3 ~~Subparagraph.~~

4 ~~(1)(i) Solely for purposes of the payment of the state sales and use tax~~
5 ~~imposed under R.S. 47:302, 321, and 331 and the sales and use tax levied by any~~
6 ~~political subdivision, the term "sales price" shall not include the price of specialty~~
7 ~~items sold to members for fund-raising purposes by nonprofit carnival organizations~~
8 ~~domiciled within Louisiana and participating in a parade sponsored by a carnival~~
9 ~~organization.~~

10 ~~(ii) The secretary of the Department of Revenue shall promulgate rules and~~
11 ~~regulations for purposes of this exclusion.~~

12 ~~(iii) No nonprofit carnival organization domiciled within Louisiana and~~
13 ~~participating in a parade sponsored by a carnival organization shall claim exemption~~
14 ~~or exclusion from the state sales and use tax or the sales and use tax levied by any~~
15 ~~political subdivision before having obtained a certificate of authorization from the~~
16 ~~secretary of the Department of Revenue. The secretary shall develop applications~~
17 ~~for such certificates. The certificates shall be issued without charge to the entities~~
18 ~~which qualify.~~

19 ~~(m) Solely for purposes of the sales and use tax imposed by the state under~~
20 ~~R.S. 47:302, 321, and 331, the "sales price" of electric power or energy, or natural~~
21 ~~gas for the period beginning July 1, 2007, and thereafter, sold for use by paper or~~
22 ~~wood products manufacturing facilities shall not include any of such price.~~

23 ~~(14) "Sales of services" means and includes the following: the furnishing,~~
24 ~~receiving, or sale of one or more of the services provided for in this Chapter for a~~
25 ~~consideration or the amount paid or charged.~~

26 ~~(a) The furnishing of sleeping rooms, cottages or cabins by hotels.~~

27 ~~(b)(i)(aa) The sale of admissions to places of amusement, to athletic~~
28 ~~entertainment other than that of schools, colleges, and universities, and recreational~~
29 ~~events, and the furnishing, for dues, fees, or other consideration of the privilege of~~

~~access to clubs or the privilege of having access to or the use of amusement, entertainment, athletic, or recreational facilities. Notwithstanding any provision of this Subparagraph to the contrary, the term "sales of services" shall include the sale of admissions to any museum that has as its primary purpose the showcasing of Louisiana music and which opened to the public on or after January 1, 2026.~~

~~(bb) The term "sales of services" shall not include membership fees or dues of nonprofit, civic organizations, including by way of illustration and not of limitation the Young Men's Christian Association, the Catholic Youth Organization, and the Young Women's Christian Association.~~

~~(ii) Places of amusement shall not include "museums", which are hereby defined as public or private nonprofit institutions which are organized on a permanent basis for essentially educational or aesthetic purposes and which use professional staff to do all of the following:~~

~~(aa) Own or use tangible objects, whether animate or inanimate.~~

~~(bb) Care for those objects.~~

~~(cc) Exhibit them to the public on a regular basis.~~

~~(iii) Museums include but are not limited to the following institutions:~~

~~(aa) Museums relating to art, history, including historic buildings, natural history, science, and technology.~~

~~(bb) Aquariums and zoological parks.~~

~~(cc) Botanical gardens and arboretums.~~

~~(dd) Nature centers.~~

~~(ee) Planetariums.~~

~~(iv) For purposes of the sales and use taxes of all tax authorities in the state, the term "places of amusement" as used herein shall not include camp and retreat facilities owned and operated by nonprofit organizations exempt from federal income tax under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3) of the Internal Revenue Code provided that the net revenue~~

1 ~~derived from the organization's property is devoted wholly to the nonprofit~~
2 ~~organization's purposes.~~

3 ~~(c) The furnishing of storage or parking privileges by auto hotels and parking~~
4 ~~lots.~~

5 ~~(d) The furnishing of printing or overprinting, lithographic, multilith, blue~~
6 ~~printing, photostating or other similar services of reproducing written or graphic~~
7 ~~matter.~~

8 ~~(e) The furnishing of laundry, cleaning, pressing and dyeing services,~~
9 ~~including by way of extension and not of limitation, the cleaning and renovation of~~
10 ~~clothing, furs, furniture, carpets and rugs, and the furnishing of storage space for~~
11 ~~clothing, furs, and rugs. The service shall be taxable at the location where the~~
12 ~~laundered, cleaned, pressed, or dyed article is returned to the customer.~~

13 ~~(f) The furnishing of cold storage space, except that space which is furnished~~
14 ~~pursuant to a bailment arrangement, and the furnishing of the service of preparing~~
15 ~~tangible personal property for cold storage where such service is incidental to the~~
16 ~~operation of storage facilities.~~

17 ~~(g)(i)(aa) The furnishing of repairs to tangible personal property, including~~
18 ~~but not restricted to the repair and servicing of automobiles and other vehicles,~~
19 ~~electrical and mechanical appliances and equipment, watches, jewelry, refrigerators,~~
20 ~~radios, shoes, and office appliances and equipment.~~

21 ~~(bb)(I) For purposes of the sales and use tax levied by the state and by tax~~
22 ~~authorities in East Feliciana Parish, charges for the furnishing of repairs to tangible~~
23 ~~personal property shall be excluded from sales of services, as defined in this~~
24 ~~Subparagraph, when the repaired property is (1) delivered to a common carrier or to~~
25 ~~the United States Postal Service for transportation outside the state, or (2) delivered~~
26 ~~outside the state by use of the repair dealer's own vehicle or by use of an independent~~
27 ~~trucker. However, as to aircraft, delivery may be by the best available means. This~~
28 ~~exclusion shall not apply to sales and use taxes levied by any other parish,~~
29 ~~municipality or school board. However, any other parish, municipality or school~~

1 board may apply the exclusion as defined in this Subparagraph to sales or use taxes
2 levied by any such parish, municipality, or school board. Offshore areas shall not
3 be considered another state for the purpose of this Subparagraph.

4 (H) ~~For purposes of the sales and use tax levied by the tax authorities in~~
5 ~~Calcasieu Parish, charges for the furnishing of repairs to aircraft shall be excluded~~
6 ~~from sales of services, as defined in this Subparagraph, provided that the repairs are~~
7 ~~performed at an airport with a runway that is at least ten thousand feet long, one~~
8 ~~hundred sixty feet wide, and fourteen inches thick.~~

9 (ii) ~~For the purposes of this Subparagraph, tangible personal property shall~~
10 ~~include machinery, appliances, and equipment which have been declared immovable~~
11 ~~by declaration under the provisions of Article 467 of the Louisiana Civil Code, and~~
12 ~~things which have been separated from land, buildings, or other constructions~~
13 ~~permanently attached to the ground or their component parts as defined in Article~~
14 ~~466 of the Civil Code.~~

15 (iii)(aa) ~~For purposes of the sales and use taxes imposed by the state or any~~
16 ~~of its political subdivisions, sale of services shall not include the labor, or sale of~~
17 ~~materials, services, and supplies, used for the repairing, renovating, or converting of~~
18 ~~any drilling rig, or machinery and equipment which are component parts thereof,~~
19 ~~which is used exclusively for the exploration or development of minerals outside the~~
20 ~~territorial limits of the state in Outer Continental Shelf waters.~~

21 (bb) ~~For the purposes of this Subitem, "drilling rig" means any unit or~~
22 ~~structure, along with its component parts, which is used primarily for drilling,~~
23 ~~workover, intervention or remediation of wells used for exploration or development~~
24 ~~of minerals and "component parts" means any machinery or equipment necessary for~~
25 ~~a drilling rig to perform its exclusive function of exploration or development of~~
26 ~~minerals.~~

27 (iv) ~~For purposes of the sales and use tax levied by the state and its political~~
28 ~~subdivisions, "repair to tangible personal property and fabrication" shall not include~~
29 ~~surface preparation, coating, and painting of a fixed or rotary wing military aircraft~~

1 ~~or certified transport category aircraft so long as the Federal Aviation Administration~~
2 ~~registration address of the aircraft is not in this state.~~

3 ~~(h) The term "sale of service" shall not include an action performed pursuant~~
4 ~~to a contract with the United States Department of the Navy for construction or~~
5 ~~overhaul of U.S. Naval vessels.~~

6 ~~(i) Solely for purposes of the sales and use tax levied by the state, the~~
7 ~~furnishing of telecommunications services for compensation, in accordance with the~~
8 ~~provisions of R.S. 47:301.1. Local political subdivisions are prohibited from levying~~
9 ~~a sales and use tax on telecommunications services not in effect on July 1, 1990,~~
10 ~~provided, however, that the provisions of this Subparagraph shall not be construed~~
11 ~~to prohibit the levy or collection of any franchise, excise, gross receipts, or similar~~
12 ~~tax or assessment by any political subdivision of the state as defined in Article VI,~~
13 ~~Section 44(2) of the Constitution of Louisiana.~~

14 ~~(j) Notwithstanding any provision of law to the contrary, for purposes of~~
15 ~~sales or use taxation by the state or any local political subdivision, the term "sales of~~
16 ~~services" shall not mean or include any funeral directing services as defined in~~
17 ~~Subparagraph (10)(s) of this Section. Subject to approval by the House Committee~~
18 ~~on Ways and Means and the Senate Committee on Revenue and Fiscal Affairs, the~~
19 ~~state Department of Revenue shall devise a formula for the calculation of the tax.~~

20 ~~(k) Solely for purposes of sales and use tax imposed by the state under R.S.~~
21 ~~47:302, 321, and 331, any political subdivision whose boundaries are coterminous~~
22 ~~with those of the state, or any other political subdivision, the term "sales of services"~~
23 ~~shall not mean or include admission charges for, outside gate admissions to, or~~
24 ~~parking fees associated with an event providing Louisiana heritage, culture, crafts,~~
25 ~~art, food, and music which is sponsored by a domestic nonprofit organization that is~~
26 ~~exempt from tax under Section 501(c)(3) of the Internal Revenue Code. The~~
27 ~~provisions of this Subparagraph shall apply only to an event which transpires over~~
28 ~~a minimum of seven but not more than twelve days and has a five-year annual~~
29 ~~average attendance of at least three hundred thousand over the duration of the event.~~

1 For purposes of determining the five-year annual average attendance, the calculation
 2 shall include the total annual attendance for each of the five most recent years. The
 3 provisions of this Subparagraph shall apply only to admission charges for, outside
 4 gate admissions to, or parking fees associated with an event when the charges and
 5 fees are payable to or for the benefit of the sponsor of the event.

6 * * *

7 (16)(a) "Tangible personal property" means and includes personal property
 8 which may be seen, weighed, measured, felt or touched, or is in any other manner
 9 perceptible to the senses.

10 (b) The term "tangible personal property" shall not include:

11 (i) Stocks, bonds, notes, or other obligations or securities.

12 (ii)(aa) Platinum, gold, or silver bullion, that is valued solely upon its
 13 precious metal content, whether in coin or ingot form.

14 (bb) Numismatic coins that have a sales price of no more than one thousand
 15 dollars.

16 (cc) Numismatic coins sold at a national, statewide, or multi-parish
 17 numismatic trade show.

18 ~~(iii) Proprietary geophysical survey information or geophysical data analysis~~
 19 ~~furnished under a restricted use agreement even though transferred in the form of~~
 20 ~~tangible personal property.~~

21 ~~(c) The term "tangible personal property" shall not include the repair of a~~
 22 ~~vehicle by a licensed motor vehicle dealer which is performed subsequent to the~~
 23 ~~lapse of the applicable warranty on that vehicle and at no charge to the owner of the~~
 24 ~~vehicle. For the purpose of assessing a sales and use tax on this transaction, no~~
 25 ~~valuation shall be assigned to the services performed or the parts used in the repair.~~

26 ~~(d)(i)(c)(i)~~ Notwithstanding any provision of law to the contrary and solely
 27 for purposes of state sales and use tax levied by any taxing authority, any sale of a
 28 prepaid calling service or prepaid wireless calling service, or both, shall be deemed
 29 to be the sale of tangible personal property.

1 (ii) Prepaid calling services and prepaid wireless calling services shall be
 2 subject to the tax imposed by this Chapter if the sale takes place in this state. If the
 3 customer physically purchases a prepaid calling service or prepaid wireless calling
 4 service at the vendor's place of business, the sale is deemed to take place at the
 5 vendor's place of business. If the customer does not physically purchase the service
 6 at the vendor's place of business, the sale of a prepaid calling service or prepaid
 7 wireless calling service is deemed to take place at the first of the following locations
 8 that applies to the sale:

9 (aa) The customer's shipping address, if the sale involves a shipment.

10 (bb) The customer's billing address.

11 (cc) Any other address of the customer that is known by the vendor.

12 (dd) The address of the vendor or, alternatively in the case of a prepaid
 13 wireless calling service, the location associated with the mobile telephone number.

14 ~~(e)~~(d) The term "tangible personal property" shall not include work products
 15 which are written on paper, stored on magnetic or optical media, or transmitted by
 16 electronic device, when such work products are created in the normal course of
 17 business by any person licensed or regulated by the provisions of Title 37 of the
 18 Louisiana Revised Statutes of 1950, unless such work products are duplicated
 19 without modification for sale to multiple purchasers. This exclusion shall not apply
 20 to work products which consist of the creation, modification, updating, or licensing
 21 of computer software.

22 ~~(f) The term "tangible personal property" shall not include pharmaceuticals~~
 23 ~~administered to livestock used for agricultural purposes, except as otherwise~~
 24 ~~provided in this Subparagraph. Only pharmaceuticals not included in the term~~
 25 ~~"tangible personal property" shall be registered with the Louisiana Department of~~
 26 ~~Agriculture and Forestry. Legend drugs administered to livestock used for~~
 27 ~~agricultural purposes are not required to be registered, but such legend drugs that are~~
 28 ~~not registered shall be "tangible personal property".~~

1 ~~(g)(i) Notwithstanding the provisions of R.S. 9:1149.1 et seq., except as~~
2 ~~otherwise provided in this Subparagraph, the term "tangible personal property" shall~~
3 ~~not include factory built homes.~~

4 ~~(ii) For purposes of this Subparagraph, "factory built home" means a~~
5 ~~residential structure which is built in a factory in one or more sections and has a~~
6 ~~chassis or integrated wheel delivery system, which is either:~~

7 ~~(aa) A structure built to federal construction standards as defined in Section~~
8 ~~5402 of Title 42 of the United States Code.~~

9 ~~(bb) A residential structure built to the Louisiana State Uniform Construction~~
10 ~~Code.~~

11 ~~(cc) A manufactured home, modular home, mobile home, or residential~~
12 ~~mobile home with or without a permanent foundation, which includes plumbing,~~
13 ~~heating, and electrical systems.~~

14 ~~(iii) "Factory built home" shall not include any self-propelled recreational~~
15 ~~vehicle or travel trailer.~~

16 ~~(iv) The term "tangible personal property" as applied to sales and use taxes~~
17 ~~levied by the state or any other taxing authority in the state shall include a new~~
18 ~~factory built home, for the initial sale from a dealer to a consumer, but only to the~~
19 ~~extent that forty-six percent of the retail sales price shall be so considered as~~
20 ~~"tangible personal property". Thereafter, each subsequent resale of a factory built~~
21 ~~home shall not be considered as "tangible personal property".~~

22 ~~(v) The sales and use taxes due on these transactions shall be paid to the~~
23 ~~Louisiana Department of Public Safety and Corrections, office of motor vehicles, by~~
24 ~~the twentieth day of the month following the month of delivery of the factory built~~
25 ~~home to the consumer, along with any other information requested by the office of~~
26 ~~motor vehicles.~~

27 ~~(h)(i) Solely for purposes of the imposition of the sales and use tax levied by~~
28 ~~the state or any political subdivision whose boundaries are coterminous with those~~
29 ~~of the state, for the period beginning July 1, 2002, and ending on June 30, 2003, the~~

1 term "tangible personal property" shall not include one-quarter of the cost price of
 2 custom computer software.

3 (ii) ~~Solely for purposes of the imposition of the sales and use tax levied by~~
 4 ~~the state or any political subdivision whose boundaries are coterminous with those~~
 5 ~~of the state, for the period beginning July 1, 2003, and ending on June 30, 2004, the~~
 6 ~~term "tangible personal property" shall not include one-half of the cost price of~~
 7 ~~custom computer software.~~

8 (iii) ~~Solely for purposes of the imposition of the sales and use tax levied by~~
 9 ~~the state or any political subdivision whose boundaries are coterminous with those~~
 10 ~~of the state, for the period beginning July 1, 2004, and ending on June 30, 2005, the~~
 11 ~~term "tangible personal property" shall not include three-quarters of the cost price~~
 12 ~~of custom computer software.~~

13 (iv) ~~Solely for purposes of the imposition of the sales and use tax levied by~~
 14 ~~the state under R.S. 47:302, 321, and 331 or any political subdivision whose~~
 15 ~~boundaries are coterminous with those of the state, for all taxable periods beginning~~
 16 ~~on or after July 1, 2005, the term "tangible personal property" shall not include~~
 17 ~~custom computer software.~~

18 (i) ~~Solely for purposes of the imposition of the state sales and use tax~~
 19 ~~imposed under R.S. 47:302, 321, and 331, the term "tangible personal property" shall~~
 20 ~~not include digital television conversion equipment and digital radio conversion~~
 21 ~~equipment as defined in this Section.~~

- 22 (i) ~~"Digital television conversion equipment" shall include the following:~~
- 23 (aa) ~~DTV transmitter and RF system.~~
- 24 (bb) ~~Transmission line.~~
- 25 (cc) ~~DTV antenna.~~
- 26 (dd) ~~Tower.~~
- 27 (ee) ~~Existing tower structural upgrade.~~
- 28 (ff) ~~Advanced TV receiver (STL receiver).~~
- 29 (gg) ~~Decoder (digital to analog converter for NTSC).~~

- 1 ~~(hh) DTV transmission system test and monitoring.~~
- 2 ~~(ii) Digital video/audio master control switcher.~~
- 3 ~~(jj) Analog to digital conversion.~~
- 4 ~~(kk) High definition up-converters.~~
- 5 ~~(ll) High definition bypass switcher.~~
- 6 ~~(mm) Down converters for standard definition.~~
- 7 ~~(nn) Advanced TV transmitter (STL transmitter).~~
- 8 ~~(oo) Advanced TV signal encoder.~~
- 9 ~~(pp) DTV transmission monitoring.~~
- 10 ~~(qq) High definition digital video switcher and DVE.~~
- 11 ~~(rr) High definition studio cameras.~~
- 12 ~~(ss) High definition graphics/graphic generator.~~
- 13 ~~(tt) High definition video monitoring.~~
- 14 ~~(uu) Conversion gear.~~
- 15 ~~(vv) High definition recorder/players, including tape, disk, etc.~~
- 16 ~~(ww) High definition video/audio signal router.~~
- 17 ~~(xx) High definition video/audio media server.~~
- 18 ~~(yy) MPEG or HDTV digital receivers for program content.~~
- 19 ~~(zz) High definition recorder/players, including tape, disk, etc.~~
- 20 ~~(aaa) High definition video/audio media server and workstations.~~
- 21 ~~(bbb) Digital EAS encoder/decoder.~~
- 22 ~~(ccc) High definition camcorder, including tape, disk, etc.~~
- 23 ~~(ddd) Advanced TV transmitters, including microwave.~~
- 24 ~~(ii) "Digital radio conversion equipment" shall include the following:~~
- 25 ~~(aa) IBOC transmitter.~~
- 26 ~~(bb) IBOC main channel and IBOC combiner.~~
- 27 ~~(cc) IBOC compatible antenna.~~
- 28 ~~(dd) Tower.~~
- 29 ~~(ee) IBOC coaxial bypass switcher.~~

- 1 ~~(ff) Digital STL.~~
- 2 ~~(gg) STL heliaw transmission line.~~
- 3 ~~(hh) STL antenna.~~
- 4 ~~(ii) Digital console.~~
- 5 ~~(jj) EAS insertion.~~
- 6 ~~(kk) AES EBU conversion equipment.~~
- 7 ~~(ll) IBOF transmission testing and monitoring equipment.~~
- 8 ~~(mm) Digital processor.~~
- 9 ~~(iii) The exclusion from state sales and use tax authorized by this~~
 10 ~~Subparagraph shall apply only to the first purchase of each enumerated item by an~~
 11 ~~individual taxpayer who holds a Federal Communications Commission license~~
 12 ~~issued pursuant to 47 CFR Part 73. Individual taxpayers operating under several~~
 13 ~~broadcaster licenses shall be allowed one purchase of each enumerated item per~~
 14 ~~license. Each subsequent purchase of any of the enumerated items by the same~~
 15 ~~taxpayer or license holder shall be subject to sales and use tax.~~
- 16 ~~(v) Any eligible taxpayer who has purchased any item enumerated in Item~~
 17 ~~(i) or (ii) of this Subparagraph subsequent to January 1, 1999, but prior to the~~
 18 ~~effective date of this Act, shall be entitled to a credit against the state sales and use~~
 19 ~~tax due in any year for an amount equal to state sales and use tax paid on the~~
 20 ~~purchase of the item.~~
- 21 ~~(vi) Local taxing authorities are hereby authorized to provide an exemption~~
 22 ~~from any local sales and use tax liability to any taxpayers holding a Federal~~
 23 ~~Communications Commission license issued pursuant to 47 CFR Part 73 which has~~
 24 ~~purchased any of the equipment listed in Item (i) or (ii) of this Subparagraph. Local~~
 25 ~~taxing authorities are further authorized to provide a credit against any tax liability~~
 26 ~~for the amount of local sales tax paid by taxpayers holding Federal Communications~~
 27 ~~Commission licenses issued pursuant to 47 CFR Part 73 on any equipment listed in~~
 28 ~~Item (i) or (ii) of the Subparagraph purchased subsequent to January 1, 1999, but~~
 29 ~~prior to June 25, 2002.~~

1 ~~(vii) No exclusion from state sales and use tax as authorized in this~~
2 ~~Subsection shall be allowed after the Federal Communications Commission has~~
3 ~~issued an order mandating license holders, issued pursuant to 47 CFR Part 73, to~~
4 ~~discontinue broadcasting their analog signal.~~

5 ~~(viii) The Department of Revenue shall adopt rules and regulations necessary~~
6 ~~for the implementation of this Act no later than August 1, 2002.~~

7 ~~(j) The term "tangible personal property", for purposes of the payment of~~
8 ~~sales and use taxes levied by all tax authorities in the state, shall not include~~
9 ~~materials used directly in the collection, separation, treatment, testing, and storage~~
10 ~~of blood by nonprofit blood banks and nonprofit blood collection centers.~~

11 ~~(k) The term "tangible personal property" for purposes of the sales and use~~
12 ~~taxes imposed by all tax authorities in this state shall not include apheresis kits and~~
13 ~~leuko-reduction filters used by nonprofit blood banks and nonprofit blood collection~~
14 ~~centers.~~

15 ~~(l)~~(e) For purposes of the sales and use tax imposed by the state of Louisiana,
16 by a political subdivision whose boundaries are coterminous with those of the state,
17 or by all political subdivisions of the state and without regard to the nature of the
18 ownership of the ground, tangible personal property shall not include other
19 constructions permanently attached to the ground which shall be treated as
20 immovable property.

21 ~~(m)(i) Notwithstanding any other provision of law to the contrary, solely for~~
22 ~~purposes of the sales and use tax levied by the state under R.S. 47:302, 321, and 331,~~
23 ~~the term "tangible personal property" shall not include machinery and equipment~~
24 ~~used by a motor vehicle manufacturer with a North American Industry Classification~~
25 ~~System (NAICS) Code beginning with 3361, or by a glass container manufacturer~~
26 ~~with a NAICS Code of 327213. This exclusion shall be subject to the definitions and~~
27 ~~requirements of Item (3)(i)(ii) of this Section.~~

28 ~~(ii) A political subdivision may provide for a sales and use tax exemption for~~
29 ~~the sales, cost, or lease or rental price of manufacturing machinery and equipment~~

1 as provided for in this Section, either effective upon adoption or enactment or phased
2 in over a period of time, or effective for a certain period of time or duration, all as
3 set forth in the instrument, resolution, vote, or other affirmative action providing the
4 exemption.

5 ~~(iii) Notwithstanding any other provision of this Section, tooling in a~~
6 ~~compression mold process shall be considered manufacturing machinery and~~
7 ~~equipment for purposes of this Section.~~

8 ~~(n)(i) For purposes of the imposition of the sales and use tax levied by the~~
9 ~~state, the term "tangible personal property" shall not include machinery and~~
10 ~~equipment purchased by the owner of a radio station located within the state that is~~
11 ~~licensed by the Federal Communications Commission for radio broadcasting, if the~~
12 ~~owner is either of the following:~~

13 ~~(aa) An individual domiciled in the state who owns a business with~~
14 ~~substantially all of its assets located in the state and substantially all of its payroll~~
15 ~~paid in the state.~~

16 ~~(bb) A business entity with substantially all of its assets located in the state~~
17 ~~and substantially all of its payroll paid in the state; provided that the business entity~~
18 ~~is not owned or controlled or is otherwise an affiliate of a multi-state business entity~~
19 ~~and is not owned or controlled by an individual who is not domiciled in the state.~~

20 ~~(ii) "Radio broadcasting" means the sound transmission made via~~
21 ~~electromagnetic waves for direct sound reception by the general public.~~

22 ~~(o)(i) For purposes of the imposition of the sales and use tax levied by the~~
23 ~~state and any political subdivision whose boundaries are coterminous with those of~~
24 ~~the state, the term "tangible personal property" shall not include machinery and~~
25 ~~equipment as defined in and subject to the requirements of Item (3)(i)(ii) of this~~
26 ~~Section which is purchased by a utility regulated by the Public Service Commission~~
27 ~~or the council of the city of New Orleans. For the purposes of this Paragraph, the~~
28 ~~term "utility" shall mean a person regulated by the Public Service Commission or the~~
29 ~~council of the city of New Orleans who is assigned a North American Industry~~

1 Classification System Code 22111, Electric Power Generation, as it existed in 2002.
 2 Such utility shall also be considered a "manufacturer" for purposes of Item (3)(i)(ii)
 3 of this Section.

4 ~~(ii) For purposes of this Subparagraph, a political subdivision whose~~
 5 ~~boundaries are not coterminous with those of the state may provide for a sales and~~
 6 ~~use tax exclusion for machinery and equipment as defined in and subject to the~~
 7 ~~requirements of Item (3)(i)(ii) of this Section which is purchased by a utility~~
 8 ~~regulated by the Public Service Commission or the council of the city of New~~
 9 ~~Orleans.~~

10 ~~(p) Solely for purposes of sales and use taxes imposed by the state under~~
 11 ~~R.S. 47:302, 321, and 331 or any of its political subdivisions, the term "tangible~~
 12 ~~personal property" shall not include newspapers.~~

13 ~~(q)(f)~~ For purposes of sales and use taxes imposed by the state, any statewide
 14 taxing authority, or any political subdivision, the term "tangible personal property"
 15 shall not include any property that would have been considered immovable property
 16 prior to the enactment on July 1, 2008, of Act No. 632 of the 2008 Regular Session
 17 of the Legislature.

18 * * *

19 (18)(a)(i) ~~Solely for~~ For purposes of the imposition of the state sales and use
 20 tax levied by any taxing authority, "use" means and includes the exercise of any right
 21 or power over tangible personal property incident to the ownership thereof, except
 22 that it shall not include the sale at retail of that property in the regular course of
 23 business ~~or the donation to a school in the state which meets the definition provided~~
 24 ~~in R.S. 17:236 or to a public or recognized independent institution of higher~~
 25 ~~education in the state of property previously purchased for resale in the regular~~
 26 ~~course of a business. The term "use" shall not include the purchase, the importation,~~
 27 ~~the consumption, the distribution, or the storage of automobiles to be leased in an~~
 28 ~~arm's length transaction, nor shall the term "use" include the donation of food items~~
 29 ~~to a food bank as defined in R.S. 9:2799(B).~~

1 (ii) ~~For purposes of the imposition of the sales and use tax levied by a~~
2 ~~political subdivision or school board, "use" shall mean and include the exercise of~~
3 ~~any right or power over tangible personal property incident to the ownership thereof,~~
4 ~~except that it shall not include the sale at retail of that property in the regular course~~
5 ~~of business or the donation to a school in the state which meets the definition~~
6 ~~provided in R.S. 17:236 or to a public or recognized independent institution of higher~~
7 ~~education in the state of property previously purchased for resale in the regular~~
8 ~~course of a business. The term "use" shall not include the donation of food items to~~
9 ~~a food bank as defined in R.S. 9:2799(B).~~

10 (iii) ~~The term "use", for purposes of sales and use taxes imposed by the state~~
11 ~~on the use for rental of automobiles which take place on or after January 1, 1991, and~~
12 ~~by political subdivisions on such use on or after July 1, 1996, and state sales and use~~
13 ~~taxes imposed on the use for lease or rental of tangible personal property other than~~
14 ~~automobiles which take place on or after July 1, 1991, shall not include the purchase,~~
15 ~~the importation, the consumption, the distribution, or the storage of tangible personal~~
16 ~~property to be leased or rented in an arm's length transaction as tangible personal~~
17 ~~property. For purposes of the imposition of the tax levied by any political~~
18 ~~subdivision of the state, for the period beginning July 1, 1999, and ending on June~~
19 ~~30, 2000, the term "use" shall not include one-fourth of the cost price of any tangible~~
20 ~~personal property which is purchased, imported, consumed, distributed, or stored and~~
21 ~~which is to be leased or rented in an arm's length transaction in the form of tangible~~
22 ~~personal property. For purposes of the imposition of the tax levied by any political~~
23 ~~subdivision of the state, for the period beginning July 1, 2000, and ending on June~~
24 ~~30, 2001, the term "use" shall not include one-half of the cost price of any tangible~~
25 ~~personal property which is purchased, imported, consumed, distributed, or stored and~~
26 ~~which is to be leased or rented in an arm's length transaction in the form of tangible~~
27 ~~personal property. For purposes of the imposition of the tax levied by any political~~
28 ~~subdivision of the state, for the period beginning July 1, 2001, and ending on June~~
29 ~~30, 2002, the term "use" shall not include three-fourths of the cost price of any~~

1 ~~tangible personal property which is purchased, imported, consumed, distributed, or~~
 2 ~~stored and which is to be leased or rented in an arm's length transaction in the form~~
 3 ~~of tangible personal property. Beginning July 1, 2002, for purposes of the imposition~~
 4 ~~of the tax levied by any political subdivision of the state, the term "use" shall not~~
 5 ~~include the purchase, the importation, the consumption, the distribution, or the~~
 6 ~~storage of any tangible personal property which is to be leased or rented in an arm's~~
 7 ~~length transaction in the form of tangible personal property.~~

8 ~~(iv) The term "use", for purposes of sales and use taxes imposed by the state~~
 9 ~~on the use for rental automobiles which take place prior to January 1, 1991, and by~~
 10 ~~political subdivisions on such use prior to July 1, 1996, and imposed on the use for~~
 11 ~~lease or rental of tangible personal property other than automobiles which take place~~
 12 ~~prior to July 1, 1991, and for purposes of local sales and use taxes levied by political~~
 13 ~~subdivisions, except for any use for rental automobiles on or after July 1, 1996, shall~~
 14 ~~include the purchase, the importation, the consumption, the distribution, or the~~
 15 ~~storage of tangible personal property to be leased or rented in an arm's length~~
 16 ~~transaction as tangible personal property.~~

17 (b) Notwithstanding any other law to the contrary, for purposes of the
 18 imposition of the sales and use tax of any political subdivision, the use of a vehicle
 19 subject to the Vehicle Registration License Tax Law (R.S. 47:451 et seq.) shall be
 20 deemed to be a "use":

21 (i) In the political subdivision of the principal residence of the purchaser if
 22 the vehicle is purchased for private use, or

23 (ii) In the political subdivision of the principal location of the business if the
 24 vehicle is purchased for commercial use, unless the vehicle purchased for
 25 commercial use is assigned, garaged, and used outside of such political subdivision,
 26 in which case the use shall be deemed a use in the political subdivision where the
 27 vehicle is assigned, garaged, and used.

28 ~~(c) For purposes of state and political subdivision sales and use tax, "use"~~
 29 ~~shall not include the exercise of any right or power by a free hospital over items,~~

1 including but not limited to supplies and equipment, which are reasonably necessary
 2 for the operation of the free hospital.

3 ~~(d)(i)(c)(i)~~ Notwithstanding any other provision of law to the contrary, and
 4 except as provided in Item ~~(iii)(ii)~~(ii) of this Subparagraph, for purposes of state and
 5 political subdivision sales and use tax, "use" means and includes the exercise of any
 6 right or power over tangible personal property incident to the ownership thereof;
 7 except that it shall not include the further processing of tangible personal property
 8 into articles of tangible personal property for sale.

9 (ii) ~~Except as provided in Item (iii) of this Subparagraph for refinery gas,~~
 10 ~~solely for purposes of state sales and use taxes imposed under R.S. 47:302, 321, and~~
 11 ~~331 and political subdivision use tax, "use" shall not include the storage,~~
 12 ~~consumption, or the exercise of any other right of ownership over tangible personal~~
 13 ~~property which is created or derived as a residue or byproduct of such processing.~~
 14 ~~Such residue or byproduct shall include but shall not be limited to catalyst cracker~~
 15 ~~coke derived from crude oil, wood chips, bark, and liquor derived from the~~
 16 ~~processing of sawlogs or pulpwood timber, or bagasse derived from sugarcane.~~

17 ~~(iii)~~ Notwithstanding any other provision of law to the contrary, and
 18 notwithstanding the provisions of this Subparagraph, "use" shall include the exercise
 19 of any right of ownership over the consumption, the distribution, and the storage for
 20 use or consumption in this state of refinery gas, except the sale to another person,
 21 whether at retail or wholesale, only if the refinery gas is ultimately consumed as an
 22 energy source by the person who owns the facility in which it is created and is not
 23 sold. Notwithstanding any other law to the contrary, the use of refinery gas shall be
 24 taxed at the cost price value provided in Subparagraph ~~(3)(f)~~ (3)(c) of this Section.
 25 If refinery gas, except for feedstock, is sold to another person, whether at retail, or
 26 wholesale, such sale shall be taxable and the sales price value shall be as provided
 27 for in Subparagraph ~~(13)(d)~~ (13)(c) of this Section. The provisions of this Item shall
 28 not apply to feedstocks.

1 ~~(e) For purposes of state and political subdivision sales and use tax, "use"~~
 2 ~~shall not include the purchase of or the exercise of any right or power over:~~

3 ~~(i) Tangible personal property sold by approved parochial and private~~
 4 ~~elementary and secondary schools which comply with the court order from the Dodd~~
 5 ~~Brumfield decision and Section 501(c)(3) of the Internal Revenue Code, or students,~~
 6 ~~administrators, or teachers, or other employees of the school, if the money from such~~
 7 ~~sales, less reasonable and necessary expenses associated with the sale, is used solely~~
 8 ~~and exclusively to support the school or its program or curricula:~~

9 ~~(ii) Educational materials or equipment used for classroom instruction by~~
 10 ~~approved parochial and private elementary and secondary schools which comply~~
 11 ~~with the court order from the Dodd Brumfield decision and Section 501(c)(3) of the~~
 12 ~~Internal Revenue Code, limited to books, workbooks, computers, computer software,~~
 13 ~~films, videos, and audio tapes:~~

14 ~~(f) For purposes of state and political subdivision sales and use tax, "use"~~
 15 ~~shall not include the purchase of or the exercise of any right or power over tangible~~
 16 ~~personal property used by Boys State of Louisiana, Inc. and Girls State of Louisiana,~~
 17 ~~Inc. for their educational and public service programs for youth.~~

18 ~~(g) Notwithstanding any provision of law to the contrary, for purposes of~~
 19 ~~sales or use taxation by the state or any local political subdivision, the term "use"~~
 20 ~~shall not mean or include any funeral directing services as defined in Subparagraph~~
 21 ~~(10)(s) of this Section:~~

22 ~~(h) Solely for purposes of sales and use taxes levied by the state under R.S.~~
 23 ~~47:302, 321, and 331 or any political subdivision of the state, the term "use" shall not~~
 24 ~~include the exercise of any right of ownership in or the distribution of telephone~~
 25 ~~directories acquired by an advertising company that is not affiliated with a provider~~
 26 ~~of telephone services if the telephone directories will be distributed free of charge~~
 27 ~~to the recipients of the telephone directories:~~

28 ~~(i) Solely for purposes of the imposition of sales and use taxes imposed by~~
 29 ~~the state under R.S. 47:302, 321, and 331 or by any other taxing authorities in the~~

1 state, in the case of the sale or any other disposition by a dealer of any cellular, PCS,
2 or wireless telephone, any electronic accessories that are physically connected with
3 such telephones and personal communications devices used in connection with the
4 sale or use of mobile telecommunications services, as defined in R.S. 47:301(10)(v);
5 the term "use" shall not include the withdrawal, use, distribution, consumption,
6 storage, donation, or any other disposition of any such cellular, PCS, or wireless
7 telephone, any electronic accessories that are physically connected with such
8 telephones and personal communications devices by the dealer.

9 (j) ~~For purposes of the imposition of sales and use taxes imposed or levied~~
10 ~~by any political subdivision of the state, in the case of the sale or any other~~
11 ~~disposition by a dealer of any cellular telephone, PCS telephone, wireless telephone,~~
12 ~~or other wireless personal communication device that is used in connection with the~~
13 ~~sale or use of mobile telecommunications services, as defined in R.S. 47:301(10)(w),~~
14 ~~or any electronic accessory that is physically connected with any such telephone or~~
15 ~~personal communications device, the term "use" shall not include the withdrawal,~~
16 ~~use, distribution, consumption, storage, donation, or any other disposition of any~~
17 ~~such telephone or electronic accessory by the dealer.~~

18 (k) ~~Solely for purposes of the sales and use tax levied by the state under R.S.~~
19 ~~47:302, 321, and 331, the term "use" shall not include the purchase, the use, the~~
20 ~~consumption, the distribution, the storage for use or consumption, or the exercise of~~
21 ~~any right or power over manufacturing machinery and equipment used or consumed~~
22 ~~in this state to manufacture, produce or extract unblended biodiesel.~~

23 (m)(i) ~~For the purposes of sales and use taxes imposed or levied by the state~~
24 ~~or any political subdivision of the state, the term "use" shall not include the purchase~~
25 ~~of or the exercise of any right or power over toys by a non-profit organization~~
26 ~~exempt from federal taxation pursuant to Section 501(c)(3) of the Internal Revenue~~
27 ~~Code if the sole purpose of the purchasing organization is to donate toys to minors~~
28 ~~and the toys are, in fact, donated.~~

1 (ii) ~~The exclusion provided for in this Subparagraph shall be subject to the~~
2 ~~same conditions as are provided for in Items (10)(aa)(ii) and (iii) of this Section.~~

3 (n) ~~For purposes of sales and use tax imposed by the state or any political~~
4 ~~subdivision of the state, the term "use" shall not mean or include the purchase,~~
5 ~~importation, storage, distribution, or exportation of, or exercise of any right or power~~
6 ~~over, textbooks and course-related software by a private postsecondary academic~~
7 ~~degree-granting institution, accredited by a national or regional commission that is~~
8 ~~recognized by the United States Department of Education and is licensed by the~~
9 ~~Board of Regents, which institution has its main location within this state and offers~~
10 ~~only online instruction, when all of the following apply:~~

11 (i) ~~The textbooks and course-related software are physically outside of this~~
12 ~~state when purchased from a vendor outside of this state and then imported into this~~
13 ~~state.~~

14 (ii) ~~The first student use of the textbooks and course-related software occurs~~
15 ~~outside of this state.~~

16 (iii) ~~The textbooks and course-related software are provided to the student~~
17 ~~free of charge.~~

18 (o) ~~Solely for purposes of the imposition of the state sales and use tax under~~
19 ~~R.S. 47:302, 321, and 331, the term "use" shall not include the purchase or use of any~~
20 ~~storm shutter device as defined and provided for in Subparagraph (10)(cc) of this~~
21 ~~Section.~~

22 (p) ~~Solely for purposes of sales and use tax imposed by the state under R.S.~~
23 ~~47:302, 321, and 331 or any political subdivision of the state, the term "use" shall not~~
24 ~~mean or include the purchase, importation, storage, distribution, or exercise of any~~
25 ~~right or power over anthropogenic carbon dioxide used in a qualified tertiary~~
26 ~~recovery project approved by the assistant secretary of the office of conservation of~~
27 ~~the Department of Energy and Natural Resources pursuant to R.S. 47:633.4.~~

28 * * *

1 ~~(23)(a) The term "custom computer software" means computer software~~
 2 ~~prepared, created, adapted, or modified to the special order of a particular purchaser,~~
 3 ~~licensee, or user; or to meet the specific needs or requirements of a particular~~
 4 ~~purchaser, licensee, or user, regardless of the means by or through which such~~
 5 ~~computer software is furnished, delivered, or transmitted, and regardless of whether~~
 6 ~~such software incorporates or consists of preexisting routines, utilities, or other~~
 7 ~~computer software components.~~

8 ~~(b) In order to be considered "custom computer software", the computer~~
 9 ~~software must require preparation, creation, adaption, or modification by the vendor~~
 10 ~~in order to be used in a specific work environment or to perform a specific function~~
 11 ~~for the user.~~

12 ~~(c) Updates, upgrades, and new versions of custom computer software shall~~
 13 ~~be considered custom computer software, provided such upgrades, updates, and new~~
 14 ~~versions meet the definition of custom computer software contained in this Chapter.~~

15 ~~(24)~~ The term "news publication" shall mean any printed periodical that:

- 16 (a) Appears at regular intervals.
- 17 (b) Contains reports of a varied character, such as political, social, cultural,
- 18 sports, moral, religious, or other subjects of general public interest.
- 19 (c) Contains not more than seventy-five percent advertising.
- 20 (d) Is not owned or published as an auxiliary to another nonpublishing
- 21 business, organization, or entity.

22 ~~(25)~~(24) "Taxing authority" shall mean and include both the state and a
 23 statewide political subdivision and any political subdivision of the state authorized
 24 under the Constitution or laws of the state of Louisiana to levy and collect a sales and
 25 use tax, unless the context indicates otherwise. For purposes of the Uniform Local
 26 Sales Tax Code provided for in Chapter ~~2D~~ 2-D of this Subtitle, "taxing authority"
 27 shall mean any political subdivision of the state authorized under the Constitution
 28 or laws of the state of Louisiana to levy and collect a sales and use tax, except a
 29 statewide political subdivision.

1 ~~(26)~~(25) "Taxing jurisdiction" shall mean the area within the physical
 2 boundaries of the taxing authority.

3 ~~(27)~~(26) "Tax", "sales and use tax", and "sales tax" shall mean the sales and
 4 use tax imposed by the state pursuant to the provisions of this Chapter and Chapter
 5 2-A and 2-B of this Subtitle and the tax imposed by political subdivisions under the
 6 constitution or laws of this state authorizing the imposition of a sales and use tax.

7 ~~(28)(a)~~ For purposes of the imposition of the lease or rental tax levied by the
 8 state under R.S. 47:302, 321, and 331, the "gross proceeds", "monthly lease or rental
 9 price paid", and "monthly lease or rental price contracted or agreed to be paid" for
 10 machinery and equipment used by a manufacturer in a plant facility predominately
 11 and directly in the actual manufacturing for agricultural purposes or the actual
 12 manufacturing process of an item of tangible personal property, including, but not
 13 limited to rubber tired farm tractors, cane harvesters, cane loaders, cotton pickers,
 14 combines, haybalers, attachments and sprayers, clippers, cultivators, discs, plows,
 15 and spreaders, which is for ultimate sale to another and not for internal use, at one
 16 or more fixed locations within Louisiana shall be reduced as follows:

17 ~~(i)~~ For the period ending on June 30, 2005, by five percent.

18 ~~(ii)~~ For the period beginning July 1, 2005, and ending on June 30, 2006, by
 19 nineteen percent.

20 ~~(iii)~~ For the period beginning July 1, 2006, and ending on June 30, 2007, by
 21 thirty-five percent.

22 ~~(iv)~~ For the period beginning July 1, 2007, and ending on June 30, 2008, by
 23 fifty-four percent.

24 ~~(v)~~ For the period beginning July 1, 2008, and ending on June 30, 2009, by
 25 sixty-eight percent.

26 ~~(vi)~~ For all periods beginning on or after July 1, 2009, the sales price shall
 27 be reduced by one hundred percent.

28 ~~(b)~~ For purposes of this Paragraph, "machinery and equipment",
 29 "manufacturer", "manufacturing", "manufacturing for agricultural purposes", "plant

1 facility", and "used directly" shall have the same meaning as defined in R.S.
2 47:301(3)(i)(ii).

3 (c) ~~No person shall be entitled to purchase, use, lease, or rent machinery or~~
4 ~~equipment as defined herein without payment of the tax imposed by R.S. 47:302,~~
5 ~~321, and 331 before receiving a certificate of exclusion from the secretary of the~~
6 ~~Department of Revenue certifying that he is a manufacturer as defined herein.~~

7 (d) ~~The secretary of the Department of Revenue is hereby authorized to~~
8 ~~adopt rules and regulations in order to administer the exclusion provided for in this~~
9 ~~Subparagraph.~~

10 (e) ~~The manufacturer's exemption certificate granted by the Department of~~
11 ~~Revenue shall serve as a substitute for the sales tax exemption for certain farm~~
12 ~~equipment.~~

13 ~~(29)~~(27) With respect to the furnishing of telecommunications and ancillary
14 services, as used in this Chapter the following words, terms, and phrases have the
15 meaning ascribed to them in this Paragraph, unless the context clearly indicates a
16 different meaning:

17 (a) "Air-to-Ground Radiotelephone service" means a radio service, as that
18 term is defined in 47 CFR 22.99, in which common carriers are authorized to offer
19 and provide radio telecommunications service for hire to subscribers in aircraft.

20 (b) "Ancillary service" means a service that is associated with or incidental
21 to the provision of one or more telecommunications services, including but not
22 limited to conference bridging services, detailed telecommunications billing services,
23 directory assistance services, vertical services, and voice mail services.

24 (c) "Call-by-call basis" means any method of charging for
25 telecommunications services where the price is measured by individual calls.

26 (d) "Call center" means one or more locations that utilize
27 telecommunications services in one or more of the following activities: customer
28 services, soliciting sales, reactivating dormant accounts, conducting surveys or

1 research, fundraising, collection of receivables, receiving reservations, receiving
2 orders, or taking orders.

3 (e) "Communications channel" means a physical or virtual path of
4 communications over which signals are transmitted between or among customer
5 channel termination points.

6 (f) "Conference bridging service" means a service that links two or more
7 participants of an audio or video conference call and may include the provision of
8 a telephone number. "Conference bridging service" does not include any
9 telecommunications services used to reach the conference bridge.

10 (g) "Customer" means the person or entity that contracts with the seller of
11 telecommunications services. If the end user of the telecommunications service is
12 not the contracting party, the end user of the telecommunications service is the
13 customer of the telecommunications service, but only for the purpose of sourcing
14 sales of telecommunications services under R.S. 47:301.1(A). "Customer" does not
15 include a reseller of telecommunications service or for mobile telecommunications
16 service of a serving carrier under an agreement to serve the customer outside the
17 home service provider's licensed service area.

18 (h) "Customer channel termination point" means, in the context of a private
19 communications service, the location where the customer either inputs or receives
20 communications.

21 (i) "Detailed telecommunications billing service" means a service of
22 separately stating information pertaining to individual calls on a customer's billing
23 statement.

24 (j) "Directory assistance" means a service of providing telephone number or
25 address information, or both.

26 (k) "End user" means the person who utilizes the telecommunications
27 service. In the case of an entity, "end user" means the individual who utilizes the
28 service on behalf of the entity.

1 (l) "Home service provider" has the same meaning given to such term in
2 Section 124(5) of the Mobile Telecommunications Sourcing Act, P.L. 106-252, 4
3 U.S.C. 124(5).

4 (m) "International telecommunications service" means a telecommunications
5 service that originates or terminates in the United States and terminates or originates
6 outside the ~~United States~~, states, respectively. The United States includes each of the
7 fifty United States, the District of Columbia, and each United States territory, or
8 possession.

9 (n) "Interstate telecommunications service" means a telecommunications
10 service that originates in one U.S. state, territory, or possession, and terminates in a
11 different U.S. state, territory, or possession.

12 (o) "Intrastate telecommunications service" means a telecommunications
13 service that originates in one U.S. state, territory or possession, and terminates in the
14 same U.S. state, territory, or possession.

15 (p) "Mobile telecommunications service" has the same meaning given to
16 such term in Section 124(7) of the Mobile Telecommunications Sourcing Act, P.L.
17 106-252, 4 U.S.C. 124(7).

18 (q) "Mobile wireless service" means a telecommunications service,
19 regardless of the technology used, whereby the origination or termination points, or
20 both, of the transmission, conveyance or routing are not fixed, including but not
21 limited to telecommunications services that are provided by a commercial mobile
22 radio service provider.

23 (r) "Place of primary use" means the street address representative of where
24 the customer's use of the telecommunications service primarily occurs, which must
25 be the residential street address or the primary business street address of the
26 customer. In the case of mobile telecommunications services, the place of primary
27 use must be within the licensed service area of the home service provider.

28 (s) "Postpaid calling service" means a telecommunications service obtained
29 by making a payment on a call-by-call basis either through the use of a credit card

1 or payment mechanism such as a bank card, travel card, credit card, or debit card, or
2 by charge made to a telephone number which is not associated with the origination
3 or termination of the telecommunications service. A postpaid calling service
4 includes a telecommunications service, except a prepaid wireless calling service, that
5 would be a prepaid calling service, except that the right provided is not exclusively
6 to access telecommunications services.

7 (t) "Prepaid calling service" means the right to access exclusively
8 telecommunications services, which must be paid for in advance and which enables
9 the origination of calls using an access number or authorization code, whether
10 manually or electronically dialed, and that is sold in predetermined units or dollars
11 of which the number declines with use in a known amount.

12 (u) "Prepaid wireless calling service" means a telecommunications service
13 that provides the right to utilize mobile wireless service as well as non-
14 telecommunications services, including the download of digital products delivered
15 electronically, content, and ancillary services, which must be paid for in advance and
16 which is sold in predetermined units or dollars of which the number declines with
17 use in a known amount.

18 (v) "Private communication service" means a telecommunications service
19 that entitles the customer to exclusive or priority use of a communications channel
20 or group of channels between or among termination points, regardless of the manner
21 in which such channel or channels are connected, and includes switching capacity,
22 extension lines, stations, and any other associated services that are provided in
23 connection with the use of such channel or channels.

24 (w) "Service address" means:

25 (i) The location of the telecommunications equipment to which a customer's
26 call is charged and from which the call originates or terminates, regardless of where
27 the call is billed or paid.

28 (ii) If the location in Item (i) of this Subparagraph is not known, "service
29 address" means the origination point of the signal of the telecommunications service

1 first identified by either the seller's telecommunications system or, in information
2 received by the seller from its service provider, where the system used to transport
3 such signals is not that of the seller.

4 (iii) If the location in both Items (i) and (ii) of this Subparagraph are not
5 known, "service address" means the location of the customer's place of primary use.

6 (x) "Telecommunications service" means the electronic transmission,
7 conveyance, or routing of voice, data, audio, video, or any other information or
8 signals to a point, or between or among points. "Telecommunications service"
9 includes ~~such~~ the transmission, conveyance, or routing in which computer processing
10 applications are used to act on the form, code, or protocol of the content for purposes
11 of transmission, conveyance, or routing without regard to whether ~~such~~ the service
12 is referred to as voice over Internet protocol service or is classified by the Federal
13 Communications Commission as an enhanced or value-added service.
14 "Telecommunications service" does not include any of the following:

15 (i) Data processing or information services which allow data to be generated,
16 acquired, stored, processed, or retrieved and delivered by an electronic transmission
17 to a purchaser where such purchaser's primary purpose for the underlying transaction
18 is the processed data or information.

19 (ii) Installation or maintenance of wiring or equipment on a customer's
20 premises.

21 (iii) Tangible personal property.

22 (iv) Advertising, including but not limited to directory advertising.

23 (v) Billing and collection services provided to third parties.

24 (vi) Internet access service.

25 (vii) Radio and television audio and video programming services, regardless
26 of the medium, including the furnishing of transmission, conveyance, and routing of
27 such services by the programming service provider. Radio and television audio and
28 video programming services shall include but not be limited to cable service as

1 defined in 47 U.S.C. 522(6) and audio and video programming services delivered by
 2 commercial mobile radio service providers, as defined in 47 CFR 20.3.

3 (viii) Ancillary services.

4 (ix) Digital products delivered electronically, including but not limited to
 5 software, music, video, reading materials, or ring tones.

6 (x) Prepaid calling service and prepaid wireless calling service.

7 (y) "Vertical service" means a service that is offered in connection with one
 8 or more telecommunications services which offers advanced calling features that
 9 allow customers to identify callers and to manage multiple calls and call connections.

10 (z) "Voice mail service" means a service that enables the customer to store,
 11 send, or receive recorded messages services. The term "voice mail service" does not
 12 include any telecommunications or vertical services that the customer may be
 13 required to have in order to utilize the voice mail service.

14 ~~(30)(a)~~(28)(a) The term "commercial farmer" means either of the following:

15 (i) A person regularly and occupationally engaged in the commercial
 16 production of food, agricultural commodities, or agricultural products for sale.

17 (ii) A lessor landowner who leases an immovable for agricultural use to a
 18 person described in Item (i) of this Subparagraph and maintains a joint venture
 19 contractual relationship with the person.

20 (b) The secretary of the Department of Revenue, in consultation with the
 21 Department of Agriculture and Forestry, shall promulgate rules in accordance with
 22 the Administrative Procedure Act as are necessary for the administration of
 23 exemptions available to commercial farmers and the registration of commercial
 24 farmers.

25 (c) No state sales and use tax exemption available to a commercial farmer
 26 shall be allowed or claimed for or related to an "activity not engaged in for profit"
 27 as that term is defined by 26 U.S.C. 183, as amended.

28 ~~(31)~~(29) "Small refinery" means a refinery for which the average aggregate
 29 daily crude oil throughput for a calendar year, as determined by dividing the

1 aggregate throughput for the calendar year by the number of days in the calendar
2 year, does not exceed seventy-five thousand barrels.

3 (30) "Medical device" means any instrument, apparatus, machine, implant,
4 or other similar or related article intended to be provided and used by the patient
5 alone, or in combination in the treatment of a medical disease.

6 §301.1. Telecommunications and ancillary services

7 * * *

8 B.

9 * * *

10 (2) The sales price of telecommunications services shall not include charges
11 for any of the following:

12 * * *

13 ~~(b) Ancillary services, except those specified in Paragraph (1) of this~~
14 ~~Subsection, if the nontaxable ancillary service charges are stated separately from the~~
15 ~~charges for telecommunications services.~~

16 ~~(c)~~ Any excise, franchise, or similar tax or like fee or assessment levied by
17 the United States, by the state of Louisiana, or by any political subdivision as defined
18 in Article VI, Section 44(2) of the Constitution of Louisiana, upon the purchase, sale,
19 use, or consumption of any telecommunications service, which tax, fee, or
20 assessment is collected by the seller from the purchaser.

21 ~~(d) Telecommunications services paid for by inserting coins in coin-operated~~
22 ~~telephones available to the public.~~

23 ~~(e)~~(c) Telecommunications services or transactions defined in this Paragraph
24 among entities classified as members of an affiliated group as provided by 26 U.S.C.
25 1504, provided, however, that these provisions shall not apply to any sale of tangible
26 personal property.

27 ~~(f)~~(d) Any other property or services that are not telecommunications
28 services if stated separately from the charges for telecommunications services.

1 C. The following provisions apply to the furnishing of mobile
2 telecommunications services:

3 * * *

4 (2)

5 * * *

6 (b) Notwithstanding any provision of law to the contrary, if a mobile
7 telecommunications service is not subject to the taxes levied by the state pursuant to
8 R.S. 47:302(C) and 331(C) or by other taxing jurisdictions, a customer may not rely
9 upon the nontaxability of such mobile telecommunications service unless the
10 customer's home service provider separately states the amount charged for such the
11 nontaxable mobile telecommunications service or the home service provider elects,
12 after receiving a written request from the customer in the form required by the
13 provider, to provide verifiable data based upon the home service provider's books
14 and records that are kept in the regular course of business that reasonably identifies
15 the amount charged or paid for such the nontaxable mobile telecommunications
16 service.

17 ~~D.(1) Notwithstanding any provision of law to the contrary, with respect to~~
18 ~~sales of interstate telecommunications services to any person for use in the operation~~
19 ~~of one or more call centers, the tax imposed by this Chapter shall not exceed twenty-~~
20 ~~five thousand dollars per calendar year.~~

21 ~~(2) The limitation set forth in this Subsection shall apply only to holders of~~
22 ~~a direct payment number issued by the department pursuant to R.S. 47:303.1. In~~
23 ~~order to obtain such direct payment number, the applicant must establish that he~~
24 ~~satisfies the criteria set forth in this Subsection. The provisions of R.S. 47:303.1(B)~~
25 ~~shall not apply to any application for a direct payment number under this Subsection.~~

26 ~~(3) The department shall not issue any refunds of taxes paid prior to~~
27 ~~receiving a direct payment number.~~

28 ~~(4) All entities wholly owned by the same person or entity shall be~~
29 ~~considered a single person.~~

1 E: D. To prevent actual multistate taxation of an interstate
2 telecommunications service subject to the tax imposed by this Chapter and Chapters
3 2-A and 2-B of this Subtitle, any taxpayer, upon proof that ~~such~~ the taxpayer has
4 paid a tax in another state on ~~such~~ the service, shall be allowed a credit against the
5 tax imposed by this Chapter and Chapters 2-A and 2-B of this Subtitle to the extent
6 of the amount of ~~such~~ the tax paid in ~~such~~ the other state.

7 F: E. Notwithstanding any provision of law to the contrary, after allocation
8 of monies to the Bond Security and Redemption Fund as required by Article VII,
9 Section 9(B) of the Constitution of Louisiana, from the avails of the sales tax on
10 telecommunication services there shall be an annual dedication of one million dollars
11 to be deposited into the Telecommunications for the Deaf Fund for use as provided
12 in R.S. 47:1061(B).

13 F.(1) Local political subdivisions shall be prohibited from levying a sales
14 and use tax on telecommunications services not in effect on July 1, 1990. However,
15 the provisions of this Paragraph shall not be construed to prohibit the levy or
16 collection of any franchise, excise, gross receipts, or similar tax or assessment by any
17 political subdivision of the state as defined in Article VI, Section 44(2) of the State
18 Constitution.

19 (2) There is hereby levied an additional state sales and use tax upon all
20 telecommunications services, cable television services, direct-to-home satellite
21 services, video programming services, and satellite digital audio radio services in this
22 state, at the rate of five percent of the amounts paid or charged for such services.

23 (3) The tax levied pursuant to this Subsection shall be paid in lieu of any
24 sales or use tax that would otherwise be levied and collected by a political
25 subdivision of this state.

26 (4) The taxes levied pursuant to this Subsection shall be administered and
27 collected by the secretary of the Department of Revenue. The secretary shall assess
28 an administration and collection fee, not to exceed one percent of the collections of
29 the tax, as reimbursement for the actual cost of collection of the tax.

1 (5) The tax levied in this Subsection shall be collected from the dealer, as
2 defined in this Chapter, shall be paid at the time and in the manner hereinafter
3 provided, and shall be in addition to all other taxes, whether levied in the form of
4 excise, license, or privilege taxes, and shall be in addition to taxes levied pursuant
5 to the provisions of Chapter 3 of Subtitle II of this Title.

6 (6) After allocation to the Bond Security and Redemption Fund as provided
7 in Article VII, Section 9(B) of the State Constitution, the treasurer shall deposit in
8 and credit to the Local Revenue Fund the avails of the taxes collected under this
9 Subsection.

10 §301.3. Services

11 The sales and use tax levied by any taxing authority shall apply to the
12 following services:

13 (1) The rental or furnishing of sleeping rooms, cottages, cabins, rooms, suites,
14 condominiums, townhouses, rental houses, or other accommodations by hotels,
15 apartment hotels, lodging houses, tourist camps, tourist courts, property management
16 companies, accommodations intermediaries, or any other provider or seller of
17 accommodations to transient guests. The sales price shall include service, facilitator,
18 processing, delivery, and other similar fees and charges associated with the
19 processing of a transaction, even if such fee or charge is separately stated.

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

1 property. The sales price shall include any service, facility, processing, delivery,
2 facilitator, and other similar fees and charges, even if such fee or charge is separately
3 stated.

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

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

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

17 (6) The furnishing of cold storage space, except that which is furnished
18 pursuant to a bailment arrangement, and the furnishing of the service of preparing
19 tangible personal property for cold storage where the service is incidental to the
20 operation of storage facilities.

21 (7)(a) Repairs and maintenance of tangible personal property. Repairs and
22 maintenance include but are not limited to the repair and servicing of automobiles,
23 vehicles, boats and vessels, electrical and mechanical appliances and equipment,
24 farm machinery and implements, motors, tires, batteries, engineering instruments,
25 medical and surgical instruments, machinery, mechanical tools, shop equipment,
26 furniture, rugs, flooring, watches, clocks, jewelry, refrigerators, phones, televisions,
27 radios, shoes, including shoe shining, and office appliances and equipment. This
28 includes service calls and trip or travel charges.

1 **(b) For purposes of this Paragraph, "tangible personal property" includes**
2 **machinery, appliances, and equipment which have been declared immovable by**
3 **declaration under the provisions of Civil Code Article 467 and things which have**
4 **been separated from land, buildings, or other constructions permanently attached to**
5 **the ground or their component parts as defined in Civil Code Article 466.**

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

8 **(9) The providing of prewritten computer software access services. For**
9 **purposes of this Paragraph, prewritten computer software access services means**
10 **charges made to customers for the right to access and use prewritten computer**
11 **software, where possession of the software is maintained by the seller or third party**
12 **regardless of whether the charge for the services is on a per use, per user, per license,**
13 **subscription, or some other basis.**

14 **(10)(a) The providing of information services. For purposes of this**
15 **Paragraph, information services means electronic data retrieval or research; and**
16 **collecting, compiling, analyzing, or furnishing of information of any kind, including,**
17 **but not limited to, general or specialized news, other current information or financial**
18 **information, by printed, mimeographed, electronic, or electrical transmission, or by**
19 **utilizing wires, cable, radio waves, microwaves, satellites, fiber optics, or any other**
20 **method now in existence or which may be devised; this includes delivering or**
21 **providing access to information through databases or subscriptions. Information**
22 **services include but are not limited to:**

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

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

1 (iii) Solely for purposes of state sales and use taxes, cable television services,
 2 direct-to-home satellite services, video programming services, and satellite digital
 3 audio radio services.

4 (iv) Global positioning system services including driving directions and
 5 sports, news, and similar information provided through satellite audio programming
 6 services.

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

8 (i) Information sold to a newspaper or a radio or television station licensed
 9 by the Federal Communications Commission, if the information is gathered or
 10 purchased for direct use in newspapers or radio or television broadcasts.

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

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

19 (iv) Data processing, including but not limited to check or payment
 20 processing services.

21 §301.4. Sales transaction sourcing rules

22 A. Applicability. The provisions of this Section shall apply regardless of the
 23 characterization of a transaction as a sale of tangible personal property, a digital
 24 product, or a service. These provisions do not affect the obligation of a purchaser
 25 to remit use tax.

26 B.(1) Definitions. For purposes of this Section, the following terms have the
 27 meanings ascribed to them unless the context indicates otherwise:

1 (a) "Receive" or "receipt" means taking possession of tangible personal
2 property, making first use of services, or taking possession or making first use of
3 digital products by the purchaser or purchaser's designee.

4 (b) "Use of digital products" means the location of the first act within this
5 state by which the taxpayer, as a consumer, views, accesses, downloads, possesses,
6 stores, opens, manipulates, or otherwise uses or enjoys a digital product.

7 (c) "Use of a service" means the location of the first act within the state by
8 which the taxpayer, as a consumer, uses, enjoys, or otherwise receives the benefit of
9 the service.

10 (2) General Sourcing Rules. Except as provided in Subsection C of this
11 Section, for purposes of collecting or remitting sales or use taxes to the appropriate
12 taxing jurisdictions, otherwise known as sourcing, on sales of tangible personal
13 property, digital products, and services, the following rules shall apply:

14 (a) If the sale of tangible personal property, digital products, or services is
15 received by the purchaser, or the purchaser's designee, at a business location of the
16 seller, the sale is sourced to that business location.

17 (b) If the sale of tangible personal property, digital products, or services is
18 not received by the purchaser at a business location of the seller, the sale is sourced
19 to the location where receipt by the purchaser or the purchaser's designee occurs,
20 including the location indicated by instructions for delivery to the purchaser or
21 designee, if that location is known to the seller.

22 (c) If Subparagraphs (a) and (b) of this Paragraph do not apply, the sale is
23 sourced to the location indicated by an address for the purchaser that is available
24 from the business records of the seller that are maintained in the ordinary course of
25 the seller's business, when use of this address does not constitute bad faith.

26 (d) If Subparagraphs (a), (b), or (c) of this Paragraph do not apply, the sale
27 is sourced to the location indicated by an address for the purchaser obtained during
28 the sale, including, if no other address is available, the address of a purchaser's
29 payment instrument, when use of this address does not constitute bad faith.

1 (e) If Subparagraphs (a), (b), (c), or (d) of this Paragraph do not apply, or if
2 the seller is without sufficient information to apply the rules set forth in
3 Subparagraphs (a), (b), (c) or (d) of this Paragraph, the sale is sourced to the location:

4 (i) Indicated by the address from which the tangible personal property was
5 shipped.

6 (ii) From which the digital product was first available for transmission by the
7 seller.

8 (iii) From which the service was provided.

9 (3) Sourcing for lease or rental of tangible personal property. The lease or
10 rental of tangible personal property, excluding motor vehicles, is sourced as follows:

11 (a) For a lease or rental that requires recurring periodic payments, payments
12 are sourced to the primary location of the property leased or rented for each period
13 covered by the payment. The primary location of the property is as indicated by an
14 address for the property provided by the lessee that is available to the lessor from its
15 records maintained in the ordinary course of business, when use of this address does
16 not constitute bad faith. The primary location of the property is not altered by
17 intermittent use at different locations, such as use of business property that
18 accompanies employees on business trips and service calls.

19 (b) For a lease or rental that does not require periodic payments, the payment
20 is sourced the same as a retail sale in accordance with Paragraph (2) of this
21 Subsection.

22 (c) The provisions of this Paragraph do not affect the imposition or
23 computation of sales or use tax on leases or rentals based on a lump-sum or
24 accelerated basis, or on the acquisition of property for lease.

25 C. Exceptions to the general sourcing rules. The following sales are sourced
26 as follows:

27 (1) Vehicles. Sales and leases of vehicles subject to the Vehicle Registration
28 License Tax Law pursuant to the provisions of R.S. 47:451 et seq. shall be sourced
29 as provided for in R.S. 47:303(B)(3)(b)(ii)(bb).

1 (2) Telecommunications services. Sales of telecommunications services
 2 shall be sourced as provided in R.S. 47:301.1.

3 (3) Repairs to tangible personal property. Repairs to tangible personal
 4 property shall be sourced where performed.

5 D. Exceptions for purposes of sales and use tax levied by political
 6 subdivisions:

7 (1) The lease or rental of tangible person property, excluding motor vehicles,
 8 shall be sourced, for purposes of tax imposed by political subdivisions, as follows:

9 (a) Tax for the initial lease or rental period is due to the local taxing
 10 jurisdiction where the transfer of possession of the leased property occurs.

11 (b)Tax for subsequent lease or rental periods is due to the local taxing
 12 jurisdiction where the property is primarily located provided there is no additional
 13 transfer of possession. The primary location of the property shall be the location
 14 designated by the lessee and made known to the lessor from records maintained in
 15 the ordinary course of business.

16 (c) Possession or use of leased property within a jurisdiction where the
 17 property is not primarily located shall subject the lessee to the taxes imposed by that
 18 political subdivision. However, a credit shall be allowed for any taxes previously
 19 paid to another political subdivision for that lease period pursuant to Subparagraph
 20 (B)(3)(a) of this Section. The lessee shall maintain records and report any additional
 21 taxes due if leased property is used outside of its primary location.

22 (d) Leases or rentals that do not require periodic payments shall be sourced
 23 in the same manner as a retail sale of tangible personal property in accordance with
 24 Subsection A of this Section.

25 (2)(a) Computer software, prewritten computer software access services,
 26 information services and digital products that are used in more than one political
 27 subdivision within this state shall be sourced according to the number of users or
 28 licensees within each political subdivision, if known to the seller at the time of the
 29 transaction. The seller shall allocate the sales price based on the number of users or

1 licensees in each political subdivision during the taxable period. If the seller does not
2 have sufficient information to allocate the transaction among political subdivisions,
3 the seller shall source the transaction pursuant to Subparagraph (B)(3) of this
4 Section.

5 (b) The provisions of this Paragraph shall not affect the obligation of a
6 purchaser to remit use tax to the proper political subdivision based on the number of
7 users or licensees within each political subdivision.

8 E.(1) Records related to sourcing are considered records of the taxable sales,
9 purchases, leases, and rentals, and shall be retained, preserved, and produced by the
10 dealer in accordance with R.S. 47:309 and 337.29.

11 (2) If the dealer fails to keep, preserve or produce sourcing records for its
12 taxable sales, purchases, leases, or rentals, the secretary or local collector shall
13 determine the source of the transaction. The secretary's or local collector's
14 determination shall be considered prima facie correct.

15 §301.5. Bundled Transactions

16 A. Bundled transactions. Except as otherwise provided for in this Section
17 or federal law, sales tax shall be collected on the sales price of a bundled transaction
18 if any product included in the bundled transaction would be taxable if sold
19 separately.

20 B. Definitions. For purposes of this Section, the following terms shall have
21 the following meanings:

22 (1) "Products" mean and include tangible personal property, services,
23 intangibles, and digital products but shall not include immovable property.

24 (2)(a) "Bundled transaction" shall mean the retail sale of two or more
25 products where the products are otherwise distinct and identifiable and the products
26 are sold for one non-itemized price. In order to show whether a retail sale consisted
27 of one or more distinct and identifiable products and whether the products were sold
28 for one non-itemized price, a seller shall maintain copies of invoices, service

1 agreements, contracts, catalogs, price lists, rate cards, and other sales-related
2 documents given to, or made available to, the purchaser.

3 (b) "Bundled transaction" shall not include either of the following:

4 (i) The sale of any products in which the sales price varies or is negotiable
5 based on the selection by the purchaser of the products included in the transaction.

6 (ii) Any of the exceptions provided for in Subsection C of this Section.

7 (3) "Distinct and identifiable products" do not include any of the following:

8 (a) Packaging such as containers, boxes, sacks, bags and bottles, or other
9 materials such as wrapping, labels, tags and instruction guides that accompany the
10 retail sale of the products and are incidental or immaterial to the retail sale thereof.
11 Examples of packaging that are incidental or immaterial include, but are not limited
12 to grocery sacks, shoeboxes, dry cleaning garment bags, and express delivery
13 envelopes and boxes.

14 (b) A product provided free of charge with the required purchase of another
15 product. A product is provided free of charge if the sales price of the product
16 purchased does not vary depending on the inclusion of the product provided free of
17 charge.

18 (c) Items included in the definition of sales price pursuant to R.S.
19 47:301(13).

20 (4) "One non-itemized price" does not include a price that is separately
21 identified by product on binding sales or other supporting sales-related
22 documentation made available to the customer in paper or electronic form including
23 but not limited to an invoice, bill of sale, receipt, contract, service agreement, lease
24 agreement, periodic notice of rates and services, rate card or price list.

25 C. Exceptions. A transaction that otherwise meets the definition of bundled
26 transaction is not considered a bundled transaction if it meets any of the following:

27 (1)(a) True object exception. The true object exception applies to either of
28 the following transactions:

1 (i) The retail sale of tangible personal property or a digital product and a
2 service where the true object of the transaction is the service and the tangible
3 personal property or digital product is essential to the use of the service, and is
4 provided exclusively in connection with the service. If the transaction is not a
5 bundled transaction as a result of this exception, then the true object of the
6 transaction will be the retail sale of the service and should be taxed accordingly.

7 (ii) The retail sale of multiple services where one service is essential to the
8 use or receipt of a second service and the first service is provided exclusively in
9 connection with the second service, and the true object of the transaction is the
10 second nontaxable service. If the transaction is not a bundled transaction as a result
11 of this exception, then the true object of the transaction will be the retail sale of the
12 second service and should be taxed accordingly.

13 (b) For purposes of this Paragraph, factors that should be considered to
14 determine the true object of a transaction include the seller's line of business; the
15 purchaser's object of the transaction; whether the tangible personal property or
16 service that is essential to the second service is available for sale separately without
17 the second service; and how the tangible personal property or service is essential to
18 the second service.

19 (c) The true object exception applies only to transactions that include a
20 service and shall not apply to transactions that include only tangible personal
21 property or digital products.

22 (d) When the true object of the transaction is a nontaxable service, the
23 service provider shall be considered the consumer of any taxable products provided
24 to the customer as part of the transaction.

25 (2)(a) De minimis exception. The de minimis exception applies to a
26 transaction that includes taxable products and nontaxable products and the sales price
27 of the taxable products is de minimis. Sellers shall use the full term of a service
28 contract to determine if the taxable products are de minimis.

1 **(b) As used in this Paragraph, de minimis means the sales price of the**
2 **taxable products is ten percent or less of the total sales price of the bundled products.**

3 **(3) Food, drugs and medical items exception. The food, drugs, and medical**
4 **items exception applies to the retail sale of exempt tangible personal property and**
5 **taxable tangible personal property where the transaction includes food and food**
6 **ingredients, drugs, durable medical equipment, mobility enhancing equipment,**
7 **over-the-counter drugs, prosthetic devices or medical supplies and the sales price of**
8 **the taxable tangible personal property is fifty percent or less of the total sales price**
9 **of the bundled products.**

10 **D.(1) Notwithstanding Subsections B and C of this Section, if a bundled**
11 **transaction includes the sale of a digital code that provides a purchaser with the right**
12 **to obtain more than one digital product, and which may also include the right to**
13 **obtain other products or services, and all of the products and services, digital or**
14 **otherwise, to be obtained through the use of the code do not have the same sales and**
15 **use tax treatment, both of the following shall apply:**

16 **(a) The transaction shall be deemed to be the sale of the products and**
17 **services to be obtained through the use of the code.**

18 **(b) The sales and use tax applies to the entire selling price of the code,**
19 **except as provided in Paragraph (2) of this Subsection.**

20 **(2) If the seller can identify by reasonable and verifiable standards the**
21 **portion of the selling price attributable to the products and services that are not**
22 **subject to state sales and use tax from its books and records that are kept in the**
23 **regular course of business for other purposes including but not limited to nontax**
24 **purposes, sales and use tax does not apply to that portion of the selling price of the**
25 **code attributable to the products and services that are not subject to sales and use tax.**

26 **E. The secretary of the Department of Revenue may promulgate rules in**
27 **accordance with the Administrative Procedure Act as are necessary to implement the**
28 **provisions of this Section.**

1 §302. Imposition of tax

2 * * *

3 D.(1) Notwithstanding any other provision of law to the contrary, ~~no sales~~
4 ~~or use tax of any taxing authority shall be levied on any advertising service rendered~~
5 ~~by an advertising business, including but not limited to advertising agencies, design~~
6 ~~firms, and print and broadcast media, or any member, agent, or employee thereof, to~~
7 ~~any client whether or not such service also involves a transfer to the client of tangible~~
8 ~~personal property. However, a transfer of mass-produced advertising items by an~~
9 ~~advertising business which manufactures the items itself to a client for the client's~~
10 ~~use, which transfer involves the furnishing of minimal services other than~~
11 ~~manufacturing services by the advertising business shall be a taxable sale or use of~~
12 ~~tangible personal property; provided that in no event shall tax be levied on charges~~
13 ~~for creative services which are separately invoiced~~ the state and local use taxes
14 levied on motor vehicles brought into this state by a new resident shall not exceed
15 ninety dollars after application of the credits provided for in R.S. 47:303(A)(3) and
16 337.86, provided all of the following conditions are met:

- 17 (a) The vehicle is primarily used for personal purposes.
- 18 (b) The vehicle was previously registered in the name of the new resident in
19 any other state or was previously leased to the new resident in another state.
- 20 (c) The vehicle is registered within ninety days of being brought into this
21 state.
- 22 (2) The taxes collected on motor vehicles of new residents in accordance
23 with this Subsection shall be paid to the local tax authorities in equal portions.

24 * * *

25 §303. Collection

26 * * *

27 B. Collection of tax on vehicles. The tax imposed by R.S. 47:302(A) and
28 (D) on the sale or use of any motor vehicle, automobile, motorcycle, truck,
29 truck-tractor, trailer, semi-trailer, motor bus, house trailer, or any other vehicle

1 subject to the vehicle registration license tax shall be collected as provided in this
2 Subsection.

3 (1) The tax levied by R.S. 47:302(A) and (D) on any such vehicle shall be
4 paid to the vehicle commissioner as the agent of the collector of revenue at the time
5 of application for a certificate of title or vehicle registration license and such tax
6 shall be administered and collected by the vehicle commissioner in compliance with
7 rules and regulations issued by the collector of revenue and in compliance with the
8 law as construed by the collector of revenue. No certificate of title or vehicle
9 registration license shall be issued until this tax has been paid. The collector of
10 revenue shall be the only proper party to defend or to institute any legal action
11 involving the tax imposed by R.S. 47:302(A) and (D) on the sale or use of any motor
12 vehicle, automobile, motorcycle, truck, truck-tractor, trailer, semi-trailer, motor bus,
13 house trailer or any other vehicle subject to the vehicle registration license tax. (R.S.
14 47:451 et seq.).

15 * * *

16 (b) The tax levied by R.S. 47:302(A)(2) and (D) on the use of any such
17 vehicle in this state shall be due at the time first registration in this state is required
18 by the Vehicle Registration License Tax Law (R.S. 47:451 et seq.) subject to the
19 following:

20 * * *

21 (3)

22 * * *

23 (b)

24 * * *

25 (ii)(aa) The tax imposed by the political subdivisions on the sale or use of
26 vehicles subject to the Vehicle Registration License Tax Law (R.S. 47:451 et seq.)
27 shall be collected by the vehicle commissioner and distributed to the political
28 subdivisions as provided for in ~~R.S. 47:301(10)(f) and (18)(b)~~ Subitem (bb) of this
29 Item. The vehicle commissioner shall withhold from any ~~such~~ taxes collected for the

1 political subdivisions one percent of the proceeds of the tax ~~so~~ collected, which shall
2 be used by the commissioner to pay the cost of collecting and remitting the tax to the
3 political subdivisions.

4 (bb) Notwithstanding any other law to the contrary, for purposes of the
5 imposition of the sales and use tax of any political subdivision, the sale of a vehicle
6 subject to the Vehicle Registration License Tax Law pursuant to R.S. 47:451 et seq.
7 shall be deemed to be a "retail sale" or a "sale at retail" in either of the following
8 circumstances:

9 (I) In the political subdivision of the principal residence of the purchaser if
10 the vehicle is purchased for private use.

11 (II) In the political subdivision of the principal location of the business if the
12 vehicle is purchased for commercial use, unless the vehicle purchased for
13 commercial use is assigned, garaged, and used outside of the political subdivision,
14 in which case the sale shall be deemed a "retail sale" or a "sale at retail" in the
15 political subdivision where the vehicle is assigned, garaged, and used.

16 * * *

17 (4) ~~The provision contained in R.S. 47:301(10) in the second unnumbered~~
18 ~~paragraph which excludes exemption for isolated or occasional sales from the~~
19 ~~definition of a sale at retail is not to~~ provided for in R.S. 47:305(A) shall not apply
20 to the sale of vehicles which are the subject of this subsection Subsection. Isolated
21 ~~or occasional sales of vehicles are hereby defined to be sales at retail and as such are~~
22 shall be subject to the tax.

23 * * *

24 D. Collection of tax on motorboats and vessels. (1) ~~Except as provided for~~
25 ~~in R.S. 47:305(D)(1)(i), the~~ The secretary of the Louisiana Department of Wildlife
26 and Fisheries shall not register or issue a certificate of registration on any new boat
27 or vessel purchased in this state until satisfactory proof has been presented to him
28 that all sales taxes provided by this Part Chapter, and all municipal, school board and
29 parish sales taxes, have been paid, nor shall he register or issue a certificate of

1 registration on any boat or vessel brought into this state until satisfactory proof has
 2 been presented to him that all use taxes required by this ~~Part~~ Chapter, and all
 3 municipal, school board and parish use taxes, have been paid.

4 * * *

5 E. Collection of tax on off-road vehicles. (1) The vehicle commissioner
 6 shall not issue a title or a certificate of registration on any off-road vehicle purchased
 7 in this state or brought into this state from another state until satisfactory proof has
 8 been presented to him that all sales taxes required by law have been paid. ~~However,~~
 9 ~~as provided for in R.S. 47:305.56, an out-of-state purchaser of an off-road vehicle~~
 10 ~~shall be exempt from the payment of state sales and use taxes.~~ The purchaser of an
 11 off-road vehicle from a seller who is not registered with the Department of Public
 12 Safety and Corrections shall pay the sales tax at the time the vehicle is titled the
 13 same as is required for the registration and licensing of other vehicles ~~under~~ pursuant
 14 to the provisions of Subsection B of this Section.

15 (2) After payment of the taxes due, the commissioner shall issue a decal, in
 16 a form prescribed, ~~said~~ the decal to be affixed to the vehicle, as directed, by the
 17 commissioner, which shall be conclusive proof of registration and payment of the
 18 required taxes. All 1987 and later model off-road vehicles sold as new and
 19 subsequently sold as used shall be required to display this decal, ~~commencing~~
 20 ~~September 1, 1986.~~ The decal shall be a two-year renewal type and the fees for
 21 issuance of new, renewal, transfer, lost, or illegible decals shall be the same amount
 22 as those fees charged for the registration stickers of other motor vehicles. Failure to
 23 have this decal affixed to the off-road vehicle within thirty days of purchase will
 24 result in a fine, not to exceed fifty dollars, or the impounding of the vehicle, or both,
 25 and the payment of all taxes due, if any. All peace officers, including the
 26 Department of Wildlife and Fisheries, may require proof of registration and shall
 27 have concurrent jurisdiction to enforce the provisions of this Section.

28 F. Collection of tax on membership in health and physical fitness clubs. The
 29 sales tax due ~~under~~ pursuant to the provisions of this Chapter on contracts for

1 membership in a health and physical fitness club shall be assessed and shall be due
 2 and payable on a monthly basis computed on the amount paid each month less any
 3 actual or imputed interest or collection fees or unpaid reserve amounts not received
 4 by the health and fitness club, ~~provided that no sales or use tax of the state or any of~~
 5 ~~its political subdivisions not collected by such clubs shall be due or payable on~~
 6 ~~amounts collected on such contracts prior to the effective date of the Act originally~~
 7 ~~enacting this Subsection.~~

8 * * *

9 §303.1. Direct Payment Numbers

10 * * *

11 B.

12 * * *

13 (5) A DP Number shall be issued to a taxpayer who has entered into an
 14 agreement with the state pursuant to the provisions of R.S. 47:305.73 and who
 15 obtains the required approvals and meets all of the qualifications provided in
 16 Paragraph (1) of this Section except Subparagraphs (1)(a) and (c) of this Subsection.
 17 The taxpayer may possess the DP Number for the entire term of the agreement that
 18 the taxpayer enters into pursuant to R.S. 47:305.73.

19 * * *

20 §304. Treatment of tax by dealer

21 A. The tax levied in this Chapter shall be collected by the dealer from the
 22 purchaser or consumer, except as provided for the collection of tax on motor vehicles
 23 in R.S. 47:303 and the collection of tax on property leased or rented for use offshore
 24 in R.S. 47:301(4)(d)(ii). The dealer shall collect the sales tax on off-road vehicles
 25 and remit them directly to the Department of Public Safety and Corrections upon
 26 application for certificate of title and registration as required for the registration and
 27 licensing of other vehicles ~~under~~ pursuant to the provisions of Subsection B of this
 28 Section. The dealer shall collect the sales taxes on off-road vehicles from
 29 out-of-state residents who purchase off-road vehicles in this state and remit the sales

1 taxes due directly to the Department of Revenue, unless the requirements of the sales
2 and use tax exemption provided for in R.S. 47:305.56 are met.

3 * * *

4 §305. ~~Exclusions and exemptions~~ Exemptions from the tax

5 A.(1) ~~The gross proceeds derived from the sale in this state of livestock,~~
6 ~~poultry, and other farm products direct from the farm are exempted from the tax~~
7 ~~levied by taxing authorities, provided that such sales are made directly by the~~
8 ~~producers. When sales of livestock, poultry, and other farm products are made to~~
9 ~~consumers by any person other than the producer, they are not exempted from the~~
10 ~~tax imposed by taxing authorities. Isolated or occasional sales of tangible personal~~
11 ~~property or services by a person not engaged in such business shall be exempt from~~
12 ~~the sales and use tax levied by all taxing authorities.~~

13 (2) ~~The gross proceeds derived from the sale in this state of livestock at~~
14 ~~public sales sponsored by breeders' or registry associations or livestock auction~~
15 ~~markets are exempted from the sales and use tax levied by the state only. When~~
16 ~~public sales of livestock are made to consumers by any person other than through a~~
17 ~~public sale sponsored by a breeders' or registry association or a livestock auction~~
18 ~~market, they are not exempted from the sales and use tax imposed by the state. This~~
19 ~~Section shall be construed as exempting race horses entered in races and claimed at~~
20 ~~any racing meet held in Louisiana, whether the horse claimed was owned by the~~
21 ~~original breeder or not.~~

22 (3) ~~Every agricultural commodity sold by any person, other than a producer,~~
23 ~~to any other person who purchases not for direct consumption but for the purpose of~~
24 ~~acquiring raw product for use or for sale in the process of preparing, finishing, or~~
25 ~~manufacturing such agricultural commodity for the ultimate retail consumer trade,~~
26 ~~shall be exempted from any and all provisions of the sales and use tax imposed by~~
27 ~~a taxing authority, including payment of the tax applicable to the sale, storage, use,~~
28 ~~transfer, or any other utilization of or handling thereof, except when such agricultural~~
29 ~~commodity is actually sold as a marketable or finished product to the ultimate~~

1 consumer, and in no case shall more than one tax be exacted. For the purposes of
 2 this Section, "agricultural commodity" means horticultural, viticultural, poultry, farm
 3 and range products, and livestock and livestock products.

4 (4)(a) ~~The purchase of feed and feed additives for the purpose of sustaining~~
 5 ~~animals which are held primarily for commercial, business, or agricultural use shall~~
 6 ~~be exempted from the taxes levied by taxing authorities.~~

7 (b) ~~For purposes of this Subsection:~~

8 (i) ~~"Commercial use" means the purchasing, producing, or maintaining of~~
 9 ~~animals, including breeding stock, for resale;~~

10 (ii) ~~"Business use" means the keeping and maintaining of animals which are~~
 11 ~~used in performing services in conjunction with a business enterprise, such as sentry~~
 12 ~~dogs and rental horses;~~

13 (iii) ~~"Agricultural use" means the maintaining of work animals and beasts~~
 14 ~~of burden which are utilized in the activity of producing crops or animals for market,~~
 15 ~~in the production of food for human consumption, in the production of animal hides~~
 16 ~~or other animal products for market, or in the maintaining of breeding stock for the~~
 17 ~~propagation of such agricultural use animals.~~

18 (c) ~~This exemption shall not apply to the purchase of feed or feed additives~~
 19 ~~for animals kept primarily for personal, sporting, or other purposes, including but not~~
 20 ~~limited to purchases for pets of any kind or hunting dogs.~~

21 (5)(a) ~~Solely for purposes of the sales and use tax levied by the state, such~~
 22 ~~tax shall not apply to the sale or use of materials, supplies, equipment, fuel, and~~
 23 ~~related items other than vessels used in the production or harvesting of crawfish. The~~
 24 ~~person who purchases the exempt items shall claim the exemption by executing a~~
 25 ~~certificate at the time of purchase. The Department of Revenue shall provide the~~
 26 ~~certificates to retail merchants. Any merchant who in good faith, and after~~
 27 ~~examination of the applicability of the certificate to that purchase with due care,~~
 28 ~~neglects or fails to collect the tax herein provided, due to the presentation by the~~
 29 ~~purchaser of a tax exemption certificate issued by the Department of Revenue,~~

1 including those issued pursuant to R.S. 47:305.10, shall not be liable for the payment
2 of the tax.

3 (b) ~~Solely for purposes of the sales and use tax levied by the state, such tax~~
4 ~~shall not apply to the sale or use of bait and feed used in the production or harvesting~~
5 ~~of crawfish. The person who purchases the exempt items shall claim the exemption~~
6 ~~by executing a certificate at the time of purchase. The Department of Revenue shall~~
7 ~~provide the certificates to retail merchants. Any merchant who in good faith, and~~
8 ~~after examination of the applicability of the certificate to that purchase with due care,~~
9 ~~neglects or fails to collect the tax herein provided, due to the presentation by the~~
10 ~~purchaser of a tax exemption certificate issued by the Department of Revenue,~~
11 ~~including those issued pursuant to R.S. 47:305.10, shall not be liable for the payment~~
12 ~~of the tax.~~

13 (6) ~~Solely for purposes of the sales and use tax levied by the state, such tax~~
14 ~~shall not apply to the sale or use of materials, supplies, equipment, fuel, bait, and~~
15 ~~related items other than vessels used in the production or harvesting of catfish. The~~
16 ~~person who purchases the exempt items shall claim the exemption by executing a~~
17 ~~certificate at the time of purchase. The Department of Revenue shall provide the~~
18 ~~certificates to retail merchants. Any merchant who in good faith, and after~~
19 ~~examination of the applicability of the certificate to that purchase with due care,~~
20 ~~neglects or fails to collect the tax herein provided, due to the presentation by the~~
21 ~~purchaser of a tax exemption certificate issued by the Department of Revenue, shall~~
22 ~~not be liable for the payment of the tax.~~

23 B. ~~For purposes of the sales and use tax of all taxing authorities, the "use~~
24 ~~tax," as defined herein, shall not apply to livestock and livestock products, to poultry~~
25 ~~and poultry products, to farm, range and agricultural products when produced by the~~
26 ~~farmer and used by him and members of his family.~~

27 C. ~~For purposes of the sales and use tax of all taxing authorities, where a part~~
28 ~~of the cost price of a motor vehicle is represented by a motor vehicle returned to the~~

1 dealer's inventory, the use tax is payable on the total cost price less the wholesale
 2 value of the article returned.

3 C.(1) The sales and use tax imposed by the state or by a political subdivision
 4 whose boundaries are coterminous with those of the state shall not apply to sales or
 5 purchases of any of the following:

6 (a) Food sold for preparation and consumption in the home including but not
 7 limited to bakery products.

8 (b) Dairy products.

9 (c) Soft drinks.

10 (d) Fresh fruits and vegetables.

11 (e) Package foods requiring further preparation by the purchaser.

12 (2) Food sales by restaurants, drive-ins, snack bars, candy and nut counters,
 13 private clubs, and sales made by an establishment not otherwise exempted by law
 14 shall not be exempt from the taxes imposed by taxing authorities.

15 (3)(a) Except as provided for in Subparagraph (b) of this Paragraph, the sales
 16 and use tax imposed by R.S. 47:321, 321.1, and 331, or by a political subdivision
 17 shall not apply to the sale or use, for non-residential purposes, of steam, water,
 18 electric power or energy, natural gas, any materials or energy sources used to fuel the
 19 generation of electric power for resale or used by an industrial manufacturing plant
 20 for self-consumption or cogeneration, or energy sources used for boiler fuel except
 21 refinery gas.

22 (b) The exemption from the sales and use tax imposed by R.S. 47:321, 321.1,
 23 and 331 provided for in Subparagraph (a) of this Paragraph shall not apply to sales
 24 and use, for non-residential purposes, of mineral water or carbonated water or any
 25 water put in bottles, jugs, or containers.

26 D.(1) The sale at retail, the use, the consumption, the distribution, and the
 27 storage to be used or consumed in the taxing jurisdiction of the following tangible
 28 personal property is hereby specifically exempted from the tax imposed by taxing
 29 authorities, except as otherwise provided in this Paragraph:

- 1 (a) Gasoline.
- 2 (b) ~~Steam.~~ Natural gas, electricity, and water sold directly to the consumer
- 3 for residential use as provided for in Article VII, Section 2.2 of the Constitution of
- 4 Louisiana. The exemption provided for in this Subparagraph shall not apply to sales
- 5 and use of mineral water or carbonated water or any water put in bottles, jugs, or
- 6 containers sold directly to the consumer for residential use.
- 7 (c) ~~Water (not including mineral water or carbonated water or any water put~~
- 8 ~~in bottles, jugs, or containers, all of which are not exempted).~~ Tangible personal
- 9 property and donation of food items to food banks, as defined in R.S. 9:2799(B).
- 10 (d) ~~Electric power or energy and any materials or energy sources used to fuel~~
- 11 ~~the generation of electric power for resale or used by an industrial manufacturing~~
- 12 ~~plant for self-consumption or cogeneration.~~ Food items sold by youth organizations
- 13 chartered by Congress.
- 14 (e) ~~Repealed by Acts 2007, No. 480, §2.~~
- 15 (f) ~~Fertilizer and containers used for farm products when sold directly to the~~
- 16 ~~farmer:~~
- 17 (g) ~~Natural gas.~~
- 18 (h) ~~All energy sources when used for boiler fuel except refinery gas.~~
- 19 (i)(i)(e)(i) New trucks, new automobiles, new motorcycles, and new aircraft;
- 20 ~~and new boats, vessels, or other water craft~~ withdrawn from stock or kept in a
- 21 dealer's inventory by factory authorized new truck, new automobile, new motorcycle,
- 22 and new aircraft dealers, and factory-authorized dealers of new boats, vessels, or
- 23 ~~other water craft,~~ for use as demonstrators.
- 24 (ii) Used trucks and used automobiles withdrawn from stock or kept in a
- 25 dealer's inventory by new or used motor vehicle dealers for use as demonstrators.
- 26 (j) ~~Solely for purposes of the state sales and use tax, drugs prescribed by a~~
- 27 ~~physician or dentist.~~
- 28 (k)(i) ~~Solely for purposes of the state sales and use tax, orthotic, including~~
- 29 ~~prescription eyeglasses and contact lenses, and prosthetic devices and wheelchairs~~

1 and wheelchair lifts prescribed by physicians, optometrists or licensed chiropractors
 2 for personal consumption or use.

3 (ii) ~~Solely for purposes of the sales and use tax of political subdivisions, the~~
 4 ~~sale to, or the purchase by, an individual or by a medical service provider such as a~~
 5 ~~physician, clinic, surgical center, or other healthcare facility of a prosthetic device~~
 6 ~~which is sold or purchased with the intention of being personally used or consumed~~
 7 ~~by individuals pursuant to a prescription by a physician when the individual is~~
 8 ~~covered by the state of Louisiana Medicaid insurance program or a Medicaid~~
 9 ~~insurance program administered by a third party on behalf of the state of Louisiana.~~

10 (l) ~~Solely for purposes of the state sales and use tax, the sale or purchase of~~
 11 ~~any ostomy, ileostomy or colostomy device or any other appliance including~~
 12 ~~catheters or any related item which is required as the result of any surgical procedure~~
 13 ~~by which an artificial opening is created in the human body for the elimination of~~
 14 ~~natural waste.~~

15 (m) ~~Solely for purposes of the state sales and use tax, patient aids prescribed~~
 16 ~~by a physician or a licensed chiropractor for home use.~~

17 (n) ~~Solely for purposes of the state sales and use tax, food sold for~~
 18 ~~preparation and consumption in the home including by way of extension and not of~~
 19 ~~limitation bakery products.~~

20 (o) ~~Solely for purposes of the state sales and use tax, dairy products.~~

21 (p) ~~Solely for purposes of the state sales and use tax, soft drinks.~~

22 (q) ~~Solely for purposes of the state sales and use tax, fresh fruits and~~
 23 ~~vegetables.~~

24 (r) ~~Solely for purposes of the state sales and use tax, package foods requiring~~
 25 ~~further preparation by the purchaser.~~

26 (s) ~~Solely for purposes of the state sales and use tax, any and all medical~~
 27 ~~devices used exclusively by the patient in the medical treatment of various diseases~~
 28 ~~or administered exclusively to the patient by a physician, nurse, or other health care~~

1 professional or health care facility in the medical treatment of various diseases under
2 the supervision of and prescribed by a licensed physician.

3 ~~(t) Orthotic devices, prosthetic devices, prostheses and restorative materials~~
4 ~~utilized by or prescribed by dentists in connection with health care treatment or for~~
5 ~~personal consumption or use and any and all dental devices used exclusively by the~~
6 ~~patient or administered exclusively to the patient by a dentist or dental hygienist in~~
7 ~~connection with dental or health care treatment. Notwithstanding any other~~
8 ~~provision of law to the contrary, the exemptions from the state sales and use tax~~
9 ~~provided in this Subparagraph shall be applicable to any sales and use tax levied by~~
10 ~~any local governmental subdivision or school board.~~

11 ~~(u) Solely for purposes of the state sales and use tax, adaptive driving~~
12 ~~equipment and motor vehicle modifications prescribed for personal use by a~~
13 ~~physician, a licensed chiropractor, or a driver rehabilitation specialist licensed by the~~
14 ~~state.~~

15 * * *

16 E. The sale of the following services shall be exempt from the sales and use
17 tax imposed by any taxing authority:

18 (1) Rooms furnished by a temporary lodging facility which is operated by
19 a nonprofit organization described in Section 501(c)(3) of the Internal Revenue
20 Code, provided that the facility is devoted exclusively to the temporary housing, for
21 periods no longer than thirty days' duration, of homeless transient persons whom the
22 organization determines to be financially incapable of engaging lodging at a facility
23 defined by R.S. 47:301(6)(a), and further provided that the lodging charge to these
24 persons is no greater than twenty dollars per day.

25 (2) Membership fees or dues of nonprofit, civic organizations including, but
26 not limited to the Young Men's Christian Association, the Catholic Youth
27 Organization, and the Young Women's Christian Association.

1 (3) Surface preparation, coating, and painting of a fixed or rotary wing
 2 military aircraft or certified transport category aircraft as long as the Federal
 3 Aviation Administration registration address of the aircraft is not in this state.

4 ~~E. F.~~ It is not the intention of any taxing authority to levy a tax upon articles
 5 of tangible personal property imported into this state, or produced or manufactured
 6 in this state, for export; nor is it the intention of any taxing authority to levy a tax on
 7 bona fide interstate commerce; however, nothing herein shall prevent the collection
 8 of the taxes due on sales of tangible personal property into this state which are
 9 promoted through the use of catalogs and other means of sales promotion and for
 10 which federal legislation or federal jurisprudence enables the enforcement of the
 11 sales tax of a taxing authority upon the conduct of such business. It is, however, the
 12 intention of the taxing authorities to levy a tax on the sale at retail, the use, the
 13 consumption, the distribution, and the storage to be used or consumed in this state,
 14 of tangible personal property after it has come to rest in this state and has become a
 15 part of the mass of property in this state. ~~At such time as~~ When federal legislation
 16 or federal jurisprudence as to sales in interstate commerce promoted through the use
 17 of catalogs and other means of sales promotions enables the enforcement of this
 18 Chapter or any other law or local ordinance imposing a sales tax against vendors that
 19 have no other nexus with the taxing jurisdiction, the following provisions shall apply
 20 to ~~such~~ the sales on which sales and use tax would not otherwise be collected.

21 ~~F. The sales, use and lease taxes imposed by taxing authorities shall not~~
 22 ~~apply to the amounts paid by radio and television broadcasters for the right to exhibit~~
 23 ~~or broadcast copyrighted material and the use of film, video or audio tapes, records~~
 24 ~~or any other means supplied by licensors thereof in connection with such exhibition~~
 25 ~~or broadcast and the sales and use tax shall not apply to licensors or distributors~~
 26 ~~thereof.~~

27 ~~G. The sales, use, and lease taxes imposed by taxing authorities shall not~~
 28 ~~apply to the purchase or rental by private individuals of machines, parts therefor, and~~
 29 ~~materials and supplies which a physician has prescribed for home renal dialysis. (1)~~

1 Before January 1, 2025, the single or central sales tax collector for each parish shall
 2 modify returns for reporting and remitting local sales and use tax to include the
 3 following:

4 (a) A separate line item for the sales of prescriptions drugs.

5 (b) A separate line item for the sales of manufacturing, machinery, and
 6 equipment.

7 (2) H. "Demonstrators" as used in Subsection D of this Section for purposes
 8 of the sales and use tax levied by all taxing authorities shall mean all of the
 9 following:

10 ~~(1) New~~ new and used trucks and automobiles for which dealer inventory
 11 plates may be obtained pursuant to R.S. 47:473, and new aircraft titled in the dealer's
 12 name for use as demonstrators which are kept primarily on the dealer's premises
 13 during normal business hours and which are available for demonstration purposes.
 14 However, the occasional use of a demonstrator by authorized ~~personnel~~ employee
 15 of the dealer shall not disqualify such demonstrator from the exemption herein
 16 designated.

17 ~~(2) New boats, vessels, or other water craft, hereafter, "boats," which comply~~
 18 ~~with all the following:~~

19 ~~(a) They are registered in a boat, vessel, or water craft dealer's name with the~~
 20 ~~appropriate agency.~~

21 ~~(b) They are reported by the dealer to the department as demonstrators and~~
 22 ~~are clearly identified as demonstrators in the manner required by the department.~~

23 ~~(c) They are used by those designated by such dealer for any activity which~~
 24 ~~results in the advertisement, promotion of sales, or demonstration of the qualities of~~
 25 ~~the boat for the purpose of increasing sales of such boats; provided that such use~~
 26 ~~does not occur on more than six consecutive days and does not occur on more than~~
 27 ~~twelve days in any calendar month. The dealer shall keep such logs or other records~~
 28 ~~of such use as shall be required by the department.~~

29 ~~(d) They are ultimately sold at retail.~~

1 †. H. The sales and use taxes imposed by the state of Louisiana or any of its
2 political subdivisions shall not apply to the labor, or sale of materials, services, and
3 supplies, used for repairing, renovating or converting of any drilling rig, or
4 machinery and equipment which are component parts thereof, which is used
5 exclusively for the exploration or development of minerals outside the territorial
6 limits of the state in Outer Continental Shelf waters. For the purposes of this
7 Subsection, "drilling rig" means any unit or structure, along with its component
8 parts, which is used primarily for drilling, workover, intervention or remediation of
9 wells used for exploration or development of minerals. For purposes of this
10 Subsection, "component parts" means any machinery or equipment necessary for a
11 drilling rig to perform its exclusive function of exploration or development of
12 minerals.

13 I. Notwithstanding any other provision of law to the contrary, no sales or use
14 tax of any taxing authority shall be levied on any advertising service rendered by an
15 advertising business, including but not limited to advertising agencies, design firms,
16 and print and broadcast media, or any member, agent, or employee thereof, to any
17 client whether or not the service also involves a transfer to the client of tangible
18 personal property. However, a transfer of mass-produced advertising items by an
19 advertising business which manufactures the items to a client for the client's use,
20 which transfer involves the furnishing of minimal services other than manufacturing
21 services by the advertising business, shall be a taxable sale or use of tangible
22 personal property; provided, that in no event shall tax be levied on charges for
23 creative services which are separately invoiced.

24 J.(1) Notwithstanding the provisions of R.S. 9:1149.1 et seq., factory built
25 homes shall be exempt from sales and use tax imposed by any taxing authority
26 except as provided in this Subsection.

27 (2) Forty-six percent of the retail sales price for the initial sale of a new
28 factory built home from a dealer to a consumer shall be subject to sales and use tax.

1 ~~§305.2. Exclusions and exemptions, insulin, prescription and nonprescription~~

2 Exemption; medical

3 A. The following items shall be exempt from the sales and use tax imposed
 4 by the state:

5 (1) Drugs prescribed by a physician, dentist, or any person with prescriptive
 6 authority, pursuant to Article VII of the Constitution of Louisiana.

7 (2) The sale or purchase of any ostomy, ileostomy, or colostomy device or
 8 any other appliance including catheters or any related item which is required as the
 9 result of any surgical procedure by which an artificial opening is created in the
 10 human body for the elimination of natural waste.

11 (3) Any and all medical devices used exclusively by the patient in the
 12 medical treatment of various diseases or administered exclusively to the patient by
 13 a physician, nurse, or other healthcare professional or healthcare facility in the
 14 medical treatment of various diseases under the supervision of and prescribed by a
 15 licensed physician.

16 (4) Adaptive driving equipment and motor vehicle modifications prescribed
 17 for personal use by a physician, a licensed chiropractor, or a driver rehabilitation
 18 specialist licensed by the state.

19 (5) The tax imposed by R.S. 47:302(A) and R.S. 47:321 shall not apply to
 20 the sale at retail, the use, the consumption, the distribution, and the storage of insulin,
 21 both prescription and nonprescription to be used or consumed in this state, for
 22 personal use or consumption; provided, however, that this exemption shall apply
 23 only to sales taxes imposed by the State of Louisiana and shall not apply to such
 24 taxes authorized and imposed by any school board, municipality, or other local
 25 taxing authority notwithstanding any other provision of law to the contrary,
 26 specifically but not exclusively R.S. 33:2716.1.1.

27 B. The following items shall be exempt from the sales and use tax imposed
 28 by any taxing authority:

1 (1) The sale of prescription drugs pursuant to Title XXI of the Social Security
2 Act and the pharmaceutical vendor program for Title XIX of the Social Security Act
3 as administered by the Louisiana Department of Health.

4 (2) Orthotic devices, including prescription eyeglasses and contact lenses,
5 and prosthetic devices and wheelchairs and wheelchair lifts prescribed by any person
6 with prescriptive authority in this state for personal consumption or use.

7 (3) Orthotic devices, prosthetic devices, prostheses and restorative materials
8 utilized by or prescribed by dentists in connection with health care treatment or for
9 personal consumption or use and any and all dental devices used exclusively by the
10 patient or administered exclusively to the patient by a dentist or dental hygienist in
11 connection with dental or health care treatment.

12 (4) The sale to, or the purchase by, an individual or by a medical service
13 provider such as a physician, clinic, surgical center, or other healthcare facility of a
14 prosthetic device which is sold or purchased with the intention of being personally
15 used or consumed by individuals pursuant to a prescription by a physician when the
16 individual is covered by the state of Louisiana Medicaid insurance program or a
17 Medicaid insurance program administered by a third party on behalf of the state of
18 Louisiana.

19 (5) The procurement and administration of cancer and related chemotherapy
20 prescription drugs used exclusively by the patient in his medical treatment when
21 administered exclusively to the patient by a physician, nurse, or other health care
22 professional in a physician's office where patients are not regularly kept as bed
23 patients for twenty-four hours or more.

24 (6) The sales, use, and lease taxes imposed by taxing authorities shall not
25 apply to the purchase or rental by an individual of machines, parts therefor, and
26 materials and supplies which a physician has prescribed for home renal dialysis.

1 (7) Pharmaceutical samples approved by the United States Food and Drug
 2 Administration which are manufactured in the state or imported into the state for
 3 distribution without charge to physicians, dentists, clinics, or hospitals.

4 (8) The sale, lease, or rental of tangible personal property or digital products
 5 if such sale, lease, or rental is made under the provisions of Medicare.

6 (9) The sale of any human tissue transplants, which shall be defined to
 7 include all human organs, bone, skin, cornea, blood, or blood products transplanted
 8 from one individual into another recipient individual.

9 (10) The sale, lease, or rental of items, including but not limited to supplies
 10 and equipment, or the sale of services that are reasonably necessary for the operation
 11 of free hospitals.

12 (11) The sale of marijuana recommended for therapeutic use by qualified
 13 patients as defined in R.S. 40:1046.

14 (12) The sale of materials used directly in the collection, separation,
 15 treatment, testing, and storage of blood by nonprofit blood banks and nonprofit blood
 16 collection centers.

17 C. A political subdivision may provide for a sales and use tax exemption for
 18 any item exempted from state sales and use tax purposes pursuant to the provisions
 19 of this Section.

20 ~~§305.3. Exclusions and exemptions; seeds used in planting of crops~~ Exemptions;
 21 agricultural

22 ~~The tax imposed by taxing authorities shall not apply to the sale at retail of~~
 23 ~~seeds to a commercial farmer as defined in R.S. 47:301(30) for use in the planting~~
 24 ~~of any kind of crops.~~

25 A. The sales and use tax imposed by taxing authorities shall not apply to
 26 sales at retail of agricultural inputs, agricultural machinery and equipment, and other
 27 agricultural tangible personal property, provided that the purchase is directly related
 28 to the business activities of the purchaser.

1 B. For purposes of this Section the following terms shall have the following
2 meanings:

3 (1) "Agricultural commodity" means horticultural, viticultural, poultry, farm
4 and range products, and livestock and livestock products.

5 (2) "Agricultural inputs" means all of the following:

6 (a) Raw agricultural commodities, including but not limited to feed, seed,
7 and fertilizer, to be utilized in preparing, finishing, manufacturing, or producing
8 crops or animals for market by a commercial farmer.

9 (b) Raw materials for the production of raw or processed agricultural,
10 silvicultural, or aquacultural products.

11 (c) Pharmaceuticals administered to livestock used for agricultural purposes.

12 (d) Every agricultural commodity sold by any person, other than a producer,
13 to any other person who purchases not for direct consumption but for the purpose of
14 acquiring raw product for use or for sale in the process of preparing, finishing, or
15 manufacturing the agricultural commodity for the ultimate retail consumer trade,
16 including payment of the tax applicable to the sale, storage, use, transfer, or any
17 other utilization of or handling thereof, except when such agricultural commodity is
18 actually sold as a marketable or finished product to the ultimate consumer, and in no
19 case shall more than one tax be exacted.

20 (e) Seeds sold to a commercial farmer for use in the planting of any kind of
21 crops.

22 (f) Diesel fuel, butane, propane, or other liquefied petroleum gases used or
23 consumed for farm purposes by a commercial farmer.

24 (3) "Agricultural machinery and equipment" means all of the following:

25 (a) The first one hundred fifty thousand dollars of the sale price of farm
26 equipment. The purchaser or his representative shall provide on any exemption
27 certificate required for this exemption a certification that the purchaser is a
28 commercial farmer or is purchasing for an agricultural facility. The department shall
29 hold the purchaser responsible for any taxes due.

1 (b) Agricultural fencing materials, including gates, hog wire fencing, barbed
2 wire fencing, lumber or steel used as posts or rails, nails, screws, hinges, and
3 concrete consisting of premixed dry mortar used for the purpose of fencing
4 agricultural livestock. Agricultural fencing materials shall also include electric
5 fence wire, insulated posts, power sources, grounding systems, warning signs, and
6 other components of electric agricultural fencing.

7 (4) "Farm equipment" means and includes all of the following:

8 (a) Rubber tired farm tractors, cane harvesters, cane loaders, cotton pickers,
9 combines, haybalers, and attachments and sprayers.

10 (b) Clippers, cultivators, discs, plows, and spreaders.

11 (c) Irrigation wells, drives, motors, and equipment.

12 (d) Other farm implements and equipment used for agricultural purposes in
13 the production of food and fiber.

14 (e) On the farm facilities used to dry or store grain or any materials used to
15 construct such on the farm facilities.

16 (f) Polyroll tubing sold to a commercial farmer or used for commercial farm
17 irrigation.

18 (5) "Other agricultural tangible personal property" means all of the
19 following:

20 (a) The gross proceeds derived from the sale in this state of livestock,
21 poultry, and other farm products direct from the farm, provided that the sales are
22 made directly by the producers. When sales of livestock, poultry, and other farm
23 products are made to consumers by any person other than the producer, they are not
24 exempted from the tax imposed by taxing authorities.

25 (b) The gross proceeds derived from the sale in this state of livestock at
26 public sales sponsored by breeders' or registry associations or livestock auction
27 markets. When public sales of livestock are made to consumers by any person other
28 than through a public sale sponsored by a breeders' or registry association or a
29 livestock auction market, they are not exempted. This Section shall be construed as

1 exempting race horses entered in races and claimed at any racing meet held in
2 Louisiana, whether the horse claimed was owned by the original breeder or not.

3 (c) Feed and feed additives for the purpose of sustaining animals which are
4 held primarily for commercial, business, or agricultural use. The exemption
5 provided for in this Paragraph shall not apply to the purchase of feed or feed
6 additives for animals kept primarily for personal, sporting, or other purposes,
7 including but not limited to purchases for pets of any kind or hunting dogs. For
8 purposes of this Subparagraph:

9 (i) "Commercial use" means the purchasing, producing, or maintaining of
10 animals, including breeding stock, for resale.

11 (ii) "Business use" means the keeping and maintaining of animals which are
12 used in performing services in conjunction with a business enterprise, such as sentry
13 dogs and rental horses.

14 (iii) "Agricultural use" means the maintaining of work animals and beasts
15 of burden which are utilized in the activity of producing crops or animals for market,
16 in the production of food for human consumption, in the production of animal hides
17 or other animal products for market, or in the maintaining of breeding stock for the
18 propagation of such agricultural use animals.

19 (d) Bait, feed, materials, supplies, equipment, fuel, and related items other
20 than vessels used in the production or harvesting of crawfish. A person who
21 purchases an exempt item shall claim the exemption by providing an exemption
22 certificate at the time of purchase. Any merchant who in good faith, and after
23 examination of the applicability of the exemption certificate to that purchase with
24 due care, neglects or fails to collect the tax herein provided, due to the presentation
25 by the purchaser of a tax exemption certificate issued by the Department of Revenue,
26 including those issued pursuant to R.S. 47:305.10, shall not be liable for the payment
27 of the tax.

28 (e) Materials, supplies, equipment, fuel, bait, and related items other than
29 vessels used in the production or harvesting of catfish. A person who purchases an

1 exempt item shall claim the exemption by providing an exemption certificate at the
2 time of purchase. Any merchant who in good faith, and after examination of the
3 applicability of the exemption certificate to that purchase with due care, neglects or
4 fails to collect the tax herein provided, due to the presentation by the purchaser of
5 a tax exemption certificate issued by the Department of Revenue, shall not be liable
6 for the payment of the tax.

7 (f) For purposes of the sales and use tax of all taxing authorities, the "use
8 tax," as defined herein, shall not apply to livestock and livestock products, to poultry
9 and poultry products, to farm, range and agricultural products when produced by the
10 farmer and used by him and members of his family.

11 (g) Utilities used by commercial farmers for on-farm storage, provided that
12 the on-farm storage facilities or containers are located in Louisiana, separately
13 metered for utilities, and contain raw agricultural commodities, including but not
14 limited to feed, seed, and fertilizer, to be utilized in preparing, finishing,
15 manufacturing, or producing crops or animals prior to the first point of sale.

16 (h) Pesticides used for agricultural purposes, including particularly but not
17 by way of limitation, insecticides, herbicides and fungicides.

18 (i) Purchases of feed, feed additives, seed, plants, or fertilizer by a student
19 farmer while engaged in the scope and course of an approved agricultural project.
20 A "student farmer" is an individual who is under the age of twenty-three and who is
21 enrolled in any of the following:

22 (i) A Future Farmers of America chapter or a program established by the
23 National Future Farmers of America organization.

24 (ii) A 4-H Club or other program established by 4-H.

25 (iii) Any student agriculture program that is under the direction or guidance
26 of an agricultural educator, advisor, or club leader.

27 (j) Containers used for farm products when sold directly to the farmer.

1 C. The secretary may promulgate rules and regulations designed to carry out
 2 the provisions of this Section, and any transaction not strictly in compliance with
 3 such rules and regulations shall lose the exemption provided in this Section.

4 ~~§305.4. Exclusions and exemptions; utilities used by commercial farmers for on-~~
 5 ~~farm storage~~ Exemptions; raw materials for further processing

6 ~~A. Beginning October 1, 2021, the sales and use tax imposed by the state of~~
 7 ~~Louisiana shall not apply to the sale or use of utilities used by commercial farmers~~
 8 ~~for on-farm storage.~~

9 ~~B. For purposes of this Section:~~

10 ~~(1) "Commercial farmer" shall have the same meaning as defined in R.S.~~
 11 ~~47:301(30):~~

12 ~~(2) "On-farm storage" means facilities or containers located in Louisiana that~~
 13 ~~are separately metered for utilities and that contain raw agricultural commodities;~~
 14 ~~including but not limited to feed, seed, and fertilizer, to be utilized in preparing;~~
 15 ~~finishing, manufacturing, or producing crops or animals prior to the first point of~~
 16 ~~sale.~~

17 ~~(3) "Utilities" means steam, water, electric power or energy, natural gas, or~~
 18 ~~energy sources as provided for in R.S. 47:305(D)(1)(b), (c), (d), (g), and (h).~~

19 A. Materials for further processing into articles of tangible personal property
 20 for sale at retail shall be exempt from sales and use taxes imposed by all taxing
 21 authorities when all of the following criteria are met:

22 (1)(a) The raw materials become a recognizable and identifiable component
 23 of the end product.

24 (b) The raw materials are beneficial to the end product.

25 (c) The raw materials are material for further processing, and as such, are
 26 purchased for the purpose of inclusion into the end product.

27 (2)(a) If the materials are further processed into a byproduct for sale, the
 28 purchases of materials shall not be deemed to be sales for further processing and

1 shall be taxable. For purposes of this Paragraph, the term "byproduct" shall mean
2 any incidental product that is sold for a sales price less than the cost of the materials.

3 (b) In the event a byproduct is sold at retail in this state for which a sales and
4 use tax has been paid by the seller on the cost of the materials, which materials are
5 used partially or fully in the manufacturing of the byproduct, a credit against the tax
6 paid by the seller shall be allowed in an amount equal to the sales tax collected and
7 remitted by the seller on the taxable retail sale of the byproduct.

8 B. Natural gas used in the production of iron in the process known as the
9 "direct reduced iron process" is recognized by the legislature to be a material for
10 further processing into an article of tangible personal property for sale at retail.

11 C. The secretary of the Department of Revenue may promulgate rules and
12 regulations necessary to implement the provisions of this Section.

13 §305.5. Exemptions; manufacturing machinery and equipment

14 A. For purposes of this Section, the following words shall have the following
15 meanings unless the context indicates otherwise:

16 (1)(a) "Machinery and equipment" means tangible personal property or other
17 property that is eligible for depreciation for federal income tax purposes and that is
18 used as an integral part in the manufacturing of tangible personal property for sale
19 or the production, processing, and storing of food and fiber or of timber. Machinery
20 and equipment shall also include but is not limited to the following:

21 (i) Computers and software that are an integral part of the machinery and
22 equipment used directly in the manufacturing process, or which control or
23 communicate with computer systems that control heating or cooling systems for
24 machinery or equipment that manufactures tangible personal property for sale.
25 Computers and software used for inventory and accounting systems or that control
26 non-qualifying machinery and equipment are not considered machinery and
27 equipment for purposes of this Subparagraph.

28 (ii) Machinery and equipment necessary to control pollution at a plant
29 facility where pollution is produced by the manufacturing operation.

1 (iii) Machinery and equipment, including related computers and software,
2 used to test or measure raw materials, the property undergoing manufacturing or the
3 finished product, when the test or measurement is a necessary part of the
4 manufacturing process.

5 (iv) Machinery and equipment used by an industrial manufacturing plant to
6 generate electric power for self-consumption or cogeneration.

7 (v) Machinery and equipment used primarily to produce a news publication
8 whether it is ultimately sold at retail or for resale or at no cost including but not
9 limited to all machinery and equipment used primarily in composing, creating, and
10 other prepress operations, electronic transmission of pages from prepress to press,
11 pressroom operations, and mailroom operations and assembly activities. The term
12 "news publication" shall mean any publication issued daily or regularly at average
13 intervals not exceeding three months, which contains reports of varied character,
14 such as political, social, cultural, sports, moral, religious, or subjects of general
15 public interest, and advertising supplements and any other printed matter ultimately
16 distributed with or a part of the publications.

17 (b) Machinery and equipment shall not include any of the following:

18 (i) A building and its structural components, unless the building or structural
19 component is so closely related to the machinery and equipment that it houses or
20 supports that the building or structural component can be expected to be replaced
21 when the machinery and equipment are replaced.

22 (ii) Heating, ventilation, and air-conditioning systems, unless their
23 installation is necessary to meet the requirements of the manufacturing process, even
24 though the system may provide incidental comfort to employees or serve, to an
25 insubstantial degree, nonproduction activities.

26 (iii) Tangible personal property used to transport raw materials or
27 manufactured goods prior to the beginning of the manufacturing process or after the
28 manufacturing process is complete.

1 (iv) Tangible personal property used to store raw materials or manufactured
2 goods prior to the beginning of the manufacturing process or after the manufacturing
3 process is complete.

4 (2) "Manufacturer" means any of the following:

5 (a) A person whose principal activity is manufacturing, as defined in
6 Paragraph (3) of this Subsection, and who is assigned by the Louisiana Workforce
7 Commission a North American Industrial Classification System code within the
8 agricultural, forestry, fishing, and hunting Sector 11, the manufacturing Sectors
9 31-33, the information Sector 511110 as they existed in 2002, or industry code
10 423930 as a recyclable material merchant wholesaler engaged in manufacturing
11 activities, which must include shredding facilities, as determined by the secretary of
12 the Department of Revenue.

13 (b) A person whose principal activity is manufacturing and who is not
14 required to register with the Louisiana Workforce Commission for purposes of
15 unemployment insurance, but who would be assigned a North American Industrial
16 Classification System code within the agricultural, forestry, fishing, and hunting
17 Sector 11, the manufacturing Sectors 31-33, the information Sector 511110 as they
18 existed in 2002, as determined by the Louisiana Department of Revenue from federal
19 income tax data, if he were required to register with the Louisiana Workforce
20 Commission for purposes of unemployment insurance.

21 (3) "Manufacturing" means putting raw materials through a series of steps
22 that brings about a change in their composition or physical nature in order to make
23 a new and different item of tangible personal property that will be sold to another.
24 Manufacturing begins at the point at which raw materials reach the first machine or
25 piece of equipment involved in changing the form of the material and ends at the
26 point at which manufacturing has altered the material to its completed form. Placing
27 materials into containers, packages, or wrapping in which they are sold to the
28 ultimate consumer is part of this manufacturing process. Manufacturing, for
29 purposes of this Paragraph, does not include any of the following:

1 (a) Repackaging or redistributing.

2 (b) The cooking or preparing of food products by a retailer in the regular
 3 course of retail trade.

4 (c) The storage of tangible personal property.

5 (d) The delivery of tangible personal property to or from the plant.

6 (e) The delivery of tangible personal property to or from storage within the
 7 plant.

8 (f) Actions such as sorting, packaging, or shrink wrapping the final material
 9 for ease of transporting and shipping.

10 (4) "Manufacturing for agricultural purposes" means the production,
 11 processing, and storing of food and fiber and the production, processing, and storing
 12 of timber.

13 (5) "Plant facility" means a facility, at one or more locations, in which
 14 manufacturing, referred to in Sectors 11 and 31-33 of the North American Industrial
 15 Classification system as of 2002, of a product of tangible personal property takes
 16 place.

17 (6) "Used directly" means used in the actual process of manufacturing or
 18 manufacturing for agricultural purposes.

19 B. The following items shall be exempt from the sales and use tax imposed
 20 by the state or a political subdivision whose boundaries are coterminous with the
 21 state:

22 (1) Machinery and equipment used by a manufacturer in a plant facility
 23 predominately and directly in the actual manufacturing for agricultural purposes or
 24 the actual manufacturing process of an item of tangible personal property, which is
 25 for ultimate sale to another and not for internal use, at one or more fixed locations
 26 within Louisiana.

27 (2) Machinery and equipment purchased by a utility regulated by the Public
 28 Service Commission or the council of the city of New Orleans. For the purposes of
 29 this Paragraph, the term "utility" shall mean a person regulated by the Public Service

1 Commission or the council of the city of New Orleans who is assigned a North
2 American Industry Classification System Code 22111, Electric Power Generation,
3 as it existed in 2002 and shall be considered a "manufacturer" for purposes of this
4 Section.

5 (3) Sales of electricity for chlor-alkali manufacturing processes.

6 C. The following items purchased by a person whose principal activity is
7 manufacturing and who is assigned an industry group designation by the United
8 States Census of 3211 through 3222 or 113310 pursuant to the North American
9 Industry Classification System of 2007 shall be exempt from sales and use taxes
10 imposed by the state or a political subdivision whose boundaries are coterminous
11 with the state:

12 (1) Tangible personal property consumed in the manufacturing process, such
13 as fuses, belts, felts, wires, conveyor belts, lubricants, and motor oils.

14 (2) Repairs and maintenance of manufacturing machinery and equipment.

15 D. The lease or rental of machinery and equipment used by a manufacturer
16 in a plant facility predominately and directly in either of the following shall be
17 exempt from the lease or rental tax imposed by the state or a political subdivision
18 whose boundaries are coterminous with the state:

19 (1) The actual manufacturing process of an item of tangible personal
20 property.

21 (2) The actual manufacturing for agricultural purposes, including but not
22 limited to rubber-tired farm tractors, cane harvesters, cane loaders, cotton pickers,
23 combines, haybalers, attachments and sprayers, clippers, cultivators, discs, plows,
24 and spreaders, which is for ultimate sale to another and not for internal use, at one
25 or more fixed locations within Louisiana.

26 E. A political subdivision may by ordinance or resolution provide for the
27 exemptions established in this Section. The ordinance or resolution adopted or
28 approved by the political subdivision shall provide for the adoption of all of the
29 definitions, exemptions, and limitations provided for in this Section.

1 F.(1) No person shall be entitled to purchase, use, lease, or rent machinery
 2 or equipment as defined herein without payment of the sales and use tax before
 3 receiving a certificate of exemption from the secretary of the Department of Revenue
 4 certifying that he is a manufacturer as defined herein.

5 (2) The manufacturer's exemption certificate granted by the Department of
 6 Revenue shall serve as a substitute for the sales tax exemption for certain farm
 7 equipment.

8 G. The secretary of the Department of Revenue may promulgate rules and
 9 regulations in accordance with the Administrative Procedure Act as are necessary to
 10 administer the exemptions provided for in this Section.

11 ~~§305.6. Exclusions and exemptions; Little Theater tickets~~ Exemptions; schools and
 12 educational materials

13 ~~The sales tax imposed by taxing authorities shall not apply to the sale of~~
 14 ~~admission tickets by Little Theater organizations.~~ The sales and use tax imposed by
 15 taxing authorities shall not apply to:

16 (1) Educational materials or equipment used for classroom instruction by
 17 approved parochial and private elementary and secondary schools which comply
 18 with the court order from the Dodd Brumfield decision and Section 501(c)(3) of the
 19 Internal Revenue Code, limited to books, workbooks, computers, computer software,
 20 films, videos, and audio tapes.

21 (2) Tangible personal property sold by approved parochial and private
 22 elementary and secondary schools which comply with the court order from the Dodd
 23 Brumfield decision and Section 501(c)(3) of the Internal Revenue Code, or students,
 24 administrators, or teachers, or other employees of the school, if the money from the
 25 sales, less reasonable and necessary expenses associated with the sale, is used solely
 26 and exclusively to support the school or its program or curricula. This exemption
 27 shall not be construed to allow tax-free sales to students or their families by
 28 promoters or regular commercial dealers through the use of schools, school faculty,
 29 or school facilities.

1 (3) The purchase of food items for school lunch or breakfast programs by
 2 nonpublic elementary or secondary schools which participate in the National School
 3 Lunch and School Breakfast programs or the purchase of food items by nonprofit
 4 corporations which serve students in nonpublic elementary or secondary schools and
 5 which participate in the National School Lunch and School Breakfast programs.

6 (4) The sale at retail of property in the regular course of business or the
 7 donation to a school in the state which meets the definition provided in R.S. 17:236
 8 or to a public or recognized independent institution of higher education in the state
 9 of property previously purchased for resale in the regular course of a business.

10 (5) The sale of admissions to athletic and entertainment events held for or
 11 by parochial and private elementary and secondary schools.

12 (6) The purchase, lease, or rental of items of tangible personal property or
 13 services by a regionally accredited independent institution of higher education which
 14 is a member of the Louisiana Association of Independent Colleges and Universities
 15 if the purchase, lease, or rental is directly related to the educational mission of the
 16 institution.

17 §305.7. Exclusions and exemptions; ~~tickets to musical performances of nonprofit~~
 18 ~~musical organizations~~ intergovernmental; government

19 ~~The sales tax imposed by taxing authorities shall not apply to the sale of~~
 20 ~~admission tickets by domestic nonprofit corporations or by any other domestic~~
 21 ~~nonprofit organization known as a symphony organization or as a society or~~
 22 ~~organization engaged in the presentation of musical performances; provided that this~~
 23 ~~Section shall not apply to performances given by out-of-state or nonresident~~
 24 ~~symphony companies, nor shall this Section apply to any performance intended to~~
 25 ~~yield a profit to the promoters thereof.~~

26 A.(1) This state, any parish, city and parish, municipality, district, or other
 27 political subdivision thereof, or any agency, board, commission, or instrumentality
 28 of this state or its political subdivisions shall be exempt from sales and use taxes
 29 imposed by any taxing authority. Upon request by any political subdivision for an

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

1 exemption identification number, the Department of Revenue shall issue such
2 number.

3 (2) Any municipal corporation, parish, sewerage, or water district that enters
4 into a contract with a private nonprofit company to construct or operate a sewerage
5 or wastewater treatment facility shall be exempt from the same sales tax as the
6 municipal corporation, parish, sewerage, or water district.

7 B. The following items shall be excluded from the sales and use tax imposed
8 by any taxing authority:

9 (1) Sales of tangible personal property by the Military Department which
10 occur on an installation or other property owned or operated by the Military
11 Department, including thrift shops located on military installations.

12 (2) The lease or rental of property to be used in performance of a contract
13 with the United States Department of the Navy for construction or overhaul of U.S.
14 Naval vessels.

15 (3) For purposes of the sales of services, an action performed pursuant to a
16 contract with the United States Department of the Navy for construction or overhaul
17 of U.S. Naval vessels.

18 (4) The sale of corporeal movable property which is intended for future sale
19 to the United States government or its agencies, when title to the property is
20 transferred to the United States government or its agencies prior to the incorporation
21 of that property into a final product.

22 (5) The sale or purchase of equipment used in firefighting by bona fide
23 volunteer and public fire departments.

24 C. The following items shall be exempt from the sales and use tax imposed
25 by any taxing authority:

26 (1) Eligible food items, as defined by the United States Department of
27 Agriculture regulations for the Supplemental Nutrition Assistance Program (SNAP),
28 when the food items are purchased with SNAP benefits.

1 beyond the territorial limits of any state. Storage and withdrawal from storage for
2 first use offshore beyond the territorial limits of any state is not a taxable use for
3 purposes of this Section. Charges for repairs in Louisiana to tangible personal
4 property for use in offshore areas are taxable, except those described in ~~R.S.~~
5 ~~47:305(F)~~ R.S. 47:305(H).

6 * * *

7 ~~§305.13. Exclusions and exemptions; admissions to entertainments furnished by~~
8 ~~certain domestic nonprofit corporations~~ Exemption; purchases by certain
9 religious institutions

10 ~~The sales tax imposed by taxing authorities shall not apply to the sale of~~
11 ~~admissions to entertainment events furnished by recognized domestic nonprofit~~
12 ~~charitable, educational and religious organizations when the entire proceeds from~~
13 ~~such sales, except for necessary expenses connected with the entertainment events,~~
14 ~~are used for the purposes for which the organizations furnishing the events were~~
15 ~~organized.~~

16 A. The sales and use tax levied by any taxing authority shall not apply to
17 purchases of bibles, song books, or literature used for religious instruction classes
18 by a church or synagogue that is recognized by the United States Internal Revenue
19 Service as entitled to exemption under Section 501(c)(3) of the United States Internal
20 Revenue Code.

21 B. The secretary of the Department of Revenue shall promulgate rules and
22 regulations defining the terms "church" and "synagogue" for purposes of this
23 exemption. The definitions shall be consistent with the criteria established by the
24 U.S. Internal Revenue Service in identifying organizations that qualify for church
25 status for federal income tax purposes.

26 C. No church or synagogue shall claim exemption from the state sales and
27 use tax or the sales and use tax levied by any political subdivision before having
28 obtained a certificate of authorization from the secretary of the Department of

1 Revenue. The secretary shall develop applications for such certificates. The
2 certificates shall be issued without charge to the institutions that qualify.

3 * * *

4 ~~§305.16. Exclusions and exemptions; cable television installation and repair~~
5 Exemption; purchases by certain nonprofit organizations

6 ~~The sales and use taxes imposed by the state or by any political subdivision~~
7 ~~thereof shall not apply to necessary fees incurred in connection with the installation~~
8 ~~and service of cable television. Such exemption shall not apply to purchases made~~
9 ~~by any cable television system, but shall only apply to funds collected from the~~
10 ~~subscriber for regular service, installation and repairs.~~

11 A. Purchases by a nonprofit entity which sells donated goods and spends
12 seventy-five percent or more of its revenues on directly employing or training for
13 employment persons with disabilities or workplace disadvantages shall be exempt
14 from sales and use taxes levied by the state and any political subdivision whose
15 boundaries are coterminous with the state.

16 B. Each nonprofit entity electing to utilize the exemption provided for in
17 this Section shall apply annually for a one-year exemption certificate. The secretary
18 of the Department of Revenue shall promulgate rules and regulations in accordance
19 with the Administrative Procedure Act as are necessary to implement the provisions
20 of this Section including rules for the use of annual certificates and shall establish
21 a form for nonprofit entities to apply for this exemption.

22 * * *

23 ~~§305.20. Exclusions and exemptions;~~ Exemptions; Louisiana commercial fishermen

24 A. A Louisiana resident domiciled in Louisiana who possesses ~~such a~~ a valid
25 Louisiana commercial fishing ~~license(s)~~ license as may be necessary for commercial
26 fishing ventures, including but not limited to a vessel license issued pursuant to R.S.
27 56:304, and who is an owner of a vessel operated primarily for the conduct of
28 commercial fishing as a trade or business and which the Department of Wildlife and
29 Fisheries determines will be predominantly and principally used for commercial

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1 fishing ventures and whose catch is for human consumption shall be exempt from
 2 the sales, use, lease, and services taxes imposed by any taxing authority. The
 3 exemption shall comport with the provisions of Subsection C of this Section.
 4 Possession of a commercial fishing license issued by the Department of Wildlife and
 5 Fisheries shall not be used as the sole determination that a vessel will be used
 6 predominantly and principally for commercial fishing ventures. ~~This exemption~~
 7 ~~shall also apply to facilities which process the catch from owners of commercial~~
 8 ~~fishing vessels for which this exemption is granted when such vessels are owned by,~~
 9 ~~or leased or contracted exclusively to, the seafood processing facility.~~

10 * * *

11 C. An owner who has obtained a certificate of exemption shall, with respect
 12 to the vessel identified in the certificate for the harvesting or production of fish and
 13 other aquatic life, including shrimp, oysters, and clams, ~~and certain seafood~~
 14 ~~processing facilities described in Subsection A,~~ be exempt from the taxes described
 15 in Subsection A, as follows:

16 (1) Taxes applied to the materials and supplies necessary for repairs to the
 17 vessel or facility if they are purchased by the owner and later become a component
 18 part of the vessel ~~or facility.~~

19 (2) Taxes applied to materials and supplies purchased by the owner of the
 20 vessel ~~or facility~~ where such the materials and supplies are loaded upon the vessel
 21 ~~or delivered to the facility~~ for use or consumption in the maintenance and operation
 22 thereof for commercial fishing ~~and processing~~ ventures. For purposes of this
 23 Paragraph, it shall make no difference whether the vessel is engaged in interstate,
 24 foreign, or intrastate commerce.

25 (3) Taxes applied to repair services performed upon the vessel ~~or facility.~~
 26 For the purposes of this Paragraph, it shall make no difference whether the vessel is
 27 engaged in intrastate, interstate, or foreign commerce.

28 (4) Taxes applied to the purchase of gasoline, diesel fuel, and lubricants for
 29 the vessel ~~and to sources of energy and fuels for the facility.~~

1 D. Any person who would otherwise be entitled to a certificate of exemption,
 2 shall be exempt from all taxes applied to the purchase of any vessel which the
 3 Department of Revenue determines, ~~under its~~ in accordance with rules and
 4 regulations, will be used principally and predominantly for commercial fishing
 5 ventures. This determination may be made prior to the sale by the department at
 6 which time it shall issue to the applicant a certificate of exemption. Where
 7 application is made prior to the purchase, the burden shall be on the applicant to
 8 demonstrate that the vessel will be used principally and predominantly for
 9 commercial fishing ventures. If application for a certificate of exemption is made
 10 after purchase, a certificate of exemption shall issue and the Department of Revenue
 11 shall give a rebate, out of funds made available therefor, for all taxes paid; but this
 12 shall take place only where the applicant has demonstrated his and the vessel's
 13 qualifications under this Section. ~~This Subsection shall be made applicable only to~~
 14 ~~purchases made subsequent to September 12, 1975.~~

* * *

16 §305.33. Exclusions and exemptions; ~~nonprofit retirement centers~~ certain sales at
 17 cultural events

18 ~~The sales and use taxes imposed by the state of Louisiana shall not apply to~~
 19 ~~purchases of materials for the construction of and supplies for the operation of any~~
 20 ~~not-for-profit retirement center owned or operated by any public trust authority or~~
 21 ~~duly incorporated not-for-profit corporation. A retirement center for purposes of this~~
 22 ~~Section is defined as any multipurpose facility which houses as a permanent~~
 23 ~~residence senior citizens who are sixty-two years of age or older, which provides~~
 24 ~~housing for the elderly, and which provides intermediate health care. A. The sales~~
 25 ~~of tangible personal property at an event providing Louisiana heritage, culture, crafts,~~
 26 ~~art, food, and music which is sponsored by a domestic nonprofit organization that is~~
 27 ~~exempt from tax under Section 501(c)(3) of the Internal Revenue Code shall be~~
 28 ~~exempt from sales and use taxes levied by the state. The provisions of this Section~~
 29 ~~shall apply only to an event which transpires over a minimum of seven but not more~~

1 than twelve days and has a five-year annual average attendance of at least three
 2 hundred thousand over the duration of the event. For purposes of determining the
 3 five-year annual average attendance, the calculation shall include the total annual
 4 attendance for each of the five most recent years. The provisions of this Subsection
 5 shall apply only to sales by the sponsor of the event.

6 B. Admission charges for, outside gate admissions to, or parking fees
 7 associated with an event providing Louisiana heritage, culture, crafts, art, food, and
 8 music which is sponsored by a domestic nonprofit organization that is exempt from
 9 tax under Section 501(c)(3) of the Internal Revenue Code shall be from sales and use
 10 taxes levied by the state. The provisions of this Subsection shall apply only to an
 11 event which transpires over a minimum of seven but not more than twelve days and
 12 has a five-year annual average attendance of at least three hundred thousand over the
 13 duration of the event. For purposes of determining the five-year annual average
 14 attendance, the calculation shall include the total annual attendance for each of the
 15 five most recent years. The provisions of this Subsection shall apply only to
 16 admission charges for, outside gate admissions to, or parking fees associated with
 17 an event when the charges and fees are payable to or for the benefit of the sponsor
 18 of the event.

19 * * *

20 §305.39. Exclusions and exemptions; butane, propane, or other liquefied petroleum
 21 gases purchased for private residential consumption

22 Solely for purposes of the sales and use taxes levied by the state, such taxes
 23 imposed by R.S. 47:302(A), ~~R.S. 47:321(A)~~, and ~~R.S. 47:331(A)~~ 321(A), 321.1(A),
 24 and 331(A) shall not apply to direct consumer purchases of butane, propane, or other
 25 liquefied petroleum gases for the private residential purposes of cooking and heating.

26 * * *

1 treatment and installs into the railroad's track system outside the taxing jurisdiction
2 of the respective taxing authority, whether it be the state, a statewide taxing
3 authority, or a political subdivision.

4 * * *

5 §305.70. Exemption; ~~"Make It Right Foundation"~~ sale of toys to certain nonprofit
6 organization

7 ~~The sales and use tax imposed by the state of Louisiana or any political~~
8 ~~subdivision shall not apply to the sale of construction materials to the "Make It Right~~
9 ~~Foundation" when such materials are intended for use in constructing new residential~~
10 ~~dwellingings in this state.~~

11 A. The sale of toys to a nonprofit organization exempt from federal taxation
12 pursuant to Section 501(c)(3) of the Internal Revenue Code shall be exempt from
13 sales and use taxes imposed or levied by the state or any political subdivision of the
14 state if the sole purpose of the purchasing organization is to donate toys to minors
15 and the toys are, in fact, donated.

16 B. The exemption provided for in Subsection A of this Section shall not
17 apply if the donation is intended to ultimately yield a profit to a promoter of the
18 organization or to any individual contracted to provide services or equipment, or
19 both, to the organization.

20 C. Each nonprofit organization electing to utilize the exemption provided
21 for in this Section shall apply annually for a one-year exemption certificate. The
22 secretary of the Department of Revenue shall promulgate rules and regulations in
23 accordance with the Administrative Procedure Act as are necessary to implement the
24 provisions of this Section including rules for the use of annual certificates and shall
25 establish a form for nonprofit organization to apply for this exemption.

26 * * *

1 construction, lease, repair, refurbishment, expansion, and renovation of a qualified
 2 data center, including but not limited to costs of construction and building materials,
 3 site characterization and assessment, engineering, design, and labor and installation
 4 services used directly and exclusively in a qualified data center.

5 (b) Only purchases made on or after July 1, 2024, shall be eligible for the
 6 ~~rebate~~ exemption authorized in this Subsection.

7 (2) To be certified as an approved data center by Louisiana Economic
 8 Development, the data center facility operator shall provide a sworn attestation that
 9 the project will create a minimum of fifty new direct, permanent jobs in Louisiana
 10 and intends to expend at least two hundred million dollars in new capital investment
 11 in Louisiana on or after July 1, 2024, and before July 1, 2029. An approved data
 12 center shall be issued a Direct Payment Number in accordance with the applicable
 13 provisions of R.S. 47:303.1.

14 (3)(a) A facility that has been certified as an approved data center facility
 15 shall enter into an agreement with Louisiana Economic Development that comports
 16 with the requirements of this Paragraph.

17 (b) The agreement shall provide a term of ~~rebate~~ exemption eligibility, an
 18 initial term of twenty years, a list of all eligible recipients of the ~~rebate~~ exemption,
 19 ~~and~~ language that authorizes the state to terminate the agreement and ~~recapture any~~
 20 ~~rebates~~ language that authorizes the state and local taxing authority to assess and
 21 collect any sales and use taxes due if the data center facility fails to fulfill, or
 22 Louisiana Economic Development determines that the facility will be unable to
 23 fulfill, its statutory and contractual obligations.

24 (c) Upon the expiration of the initial term of the agreement, Louisiana
 25 Economic Development may renew the agreement for an additional ten years.

26 (d) Louisiana Economic Development may include in the agreement any
 27 additional conditions that it deems appropriate.

28 (4) The department may utilize any collection remedy authorized by ~~R.S.~~
 29 ~~47:1561.2 for any rebates subject to recapture~~ Chapter 18 of this Subtitle based on

1 termination of the agreement with Louisiana Economic Development or a
 2 determination that the a purchase did not qualify for the rebate exemption. If a
 3 ~~rebate is subject to recapture, the approved data center facility shall reimburse the~~
 4 ~~department or its agent for any costs incurred.~~

5 C. Any overpayment resulting from an approved data center's payment of
 6 sales and use tax on exempt purchases or expenditures shall not be entitled to interest
 7 on refunds provided for in R.S. 47:337.80 or 1624.

8 ~~D.(1) Requests for the rebates of state sales and use taxes pursuant to the~~
 9 ~~provisions of this Section shall be processed by the department. A taxpayer shall~~
 10 ~~request a state rebate using the form and in the manner prescribed by the department.~~

11 ~~(2) A taxpayer who requests a rebate pursuant to Subsection B of this~~
 12 ~~Section shall submit documentation to the department evidencing the purchase of~~
 13 ~~fiber-optic cable equipment and that the purchaser is a winning bidder that was~~
 14 ~~awarded a census block by the Federal Communications Commission in the Rural~~
 15 ~~Digital Opportunity Fund Auction.~~

16 ~~(3) A taxpayer who requests a rebate pursuant to Subsection C of this~~
 17 ~~Section shall do all of the following:~~

18 ~~(a) Obtain certification from Louisiana Economic Development that the data~~
 19 ~~center is an approved data center facility eligible to receive a rebate provided for in~~
 20 ~~Subsection C of this Section, in accordance with administrative rules. A copy of the~~
 21 ~~certification shall be submitted to the department with the request for rebate.~~

22 ~~(b) Submit documentation to the department evidencing the purchases~~
 23 ~~eligible for the rebate.~~

24 ~~E.(1) Requests for the rebate of local sales and use taxes pursuant to the~~
 25 ~~provisions of this Section shall be processed by the appropriate local taxing~~
 26 ~~authority. A taxpayer shall claim a local rebate using the form and in the manner~~
 27 ~~required by the local taxing authority.~~

28 ~~(2) A taxpayer who requests a rebate pursuant to Subsection B of this~~
 29 ~~Section shall submit documentation to the local taxing authority evidencing the~~

1 purchase of fiber-optic cable equipment and documentation evidencing that the
2 purchaser is a winning bidder that was awarded a census block by the Federal
3 Communications Commission in the Rural Digital Opportunity Fund Auction.

4 (3) ~~A taxpayer who requests a rebate pursuant to Subsection C of this~~
5 ~~Section shall submit documentation to the applicable local taxing authority~~
6 ~~evidencing the purchases eligible for the rebate.~~

7 F.(1) D. The department and the Louisiana Uniform Local Sales Tax Board,
8 respectively, may promulgate rules and regulations in accordance with the
9 Administrative Procedure Act as necessary for the implementation of this Section.

10 (2) ~~The rules of the department may include, without limitation, the method~~
11 ~~for processing and paying rebates of state sales and use taxes authorized by this~~
12 ~~Section. The method may comprise a first come, first-served system, or any other~~
13 ~~procedure which the department, in its discretion, may find beneficial for~~
14 ~~administration of the rebate.~~

15 * * *

16 §305.75. Exemptions; feminine hygiene products and diapers

17 A. The sales and use tax imposed by ~~the state of Louisiana or any political~~
18 ~~subdivision whose boundaries are coterminous~~ any taxing authority with those of the
19 state shall not apply to the purchase of feminine hygiene products, diapers, or both
20 for individual personal use.

21 * * *

22 §306. Returns and payment of tax; penalty for absorption

23 A.

24 * * *

25 (3)(a) For the purpose of compensating the dealer in accounting for and
26 remitting the tax levied by this Chapter, each dealer shall be allowed one and five
27 hundredths percent of the amount of tax due and accounted for and remitted to the
28 secretary in the form of a deduction in submitting his report and paying the amount
29 due by him, provided the amount of any credit claimed for taxes already paid to a

1 wholesaler shall not be deducted in computing the commission allowed the dealer
 2 hereunder. The aggregate state compensation for a dealer who operates one or more
 3 business locations within Louisiana shall not exceed ~~one thousand five hundred~~
 4 seven hundred and fifty dollars per calendar month. This compensation shall be
 5 allowed only if the payment of the dealer is timely paid and the return is timely filed.
 6 Notwithstanding any other provision of law, the calculation of this deduction shall
 7 be based only on the taxes levied pursuant to R.S. 47:302, 321, 331, and R.S.
 8 51:1286. There shall be no compensation for the taxes accounted for and remitted
 9 pursuant to R.S. 47:321.1 or any other sales tax levied by the state.

10 * * *

11 §306.5. Annual reporting requirement

12 * * *

13 B. The transactions listed in this Subsection shall be subject to the annual
 14 reporting requirement.

15 (1) ~~Sales of room rentals by a camp or retreat facility owned by a nonprofit~~
 16 ~~organization as provided in R.S. 47:301(6)(b).~~

17 (2) Sales of room rentals by a homeless shelter as provided in ~~R.S.~~
 18 ~~47:301(6)(c)~~ R.S. 47:305(E)(1).

19 (3) ~~Sales by a nonprofit entity which sells donated goods as provided in R.S.~~
 20 ~~47:301(8)(f).~~

21 (4) (2) Sales of food items by a youth-serving organization chartered by the
 22 United States Congress as provided in ~~R.S. 47:301(10)(h)~~ R.S. 47:305(D)(1)(d).

23 (5) (3) Sales by a parochial or private elementary or secondary school that
 24 complies with the court order from the Dodd Brumfield decision and Section
 25 501(c)(3) of the Internal Revenue Code as provided in ~~R.S. 47:301(18)(e)~~ R.S.
 26 47:305.6(2).

27 (6) (4) Sales of admissions to athletic and entertainment events as provided
 28 in ~~R.S. 47:301(14)(b)(i), but only for events held for or by an elementary or~~
 29 ~~secondary school~~ R.S. 47:305.6(5).

1 §321.1. Imposition of tax

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

8 (1)(a) Except as provided for in Subparagraph (b) of this Paragraph, at ~~At~~ the
9 rate of forty-five hundredths of one percent of the sales price of each item or article
10 of tangible personal property when sold at retail in this state, the tax to be computed
11 on gross sales for the purpose of remitting the amount of tax to the state, and to
12 include each and every retail sale.

13 (b) Beginning January 1, 2025, through December 31, 2029, in addition to
14 the tax levied in Subparagraph (a) of this Paragraph, there is hereby levied an
15 additional tax of fifty-five hundredths of one percent of the sales price of each item
16 or article of tangible personal property when sold at retail in this state, the tax to be
17 computed on gross sales for the purpose of remitting the amount of tax to the state,
18 and to include each and every retail sale.

19 (c) Beginning January 1, 2030, there is hereby levied a tax of seventy-five
20 hundredths of one percent of the sales price of each item or article of tangible
21 personal property when sold at retail in this state, the tax to be computed on gross
22 sales for the purpose of remitting the amount of tax to the state, and to include each
23 and every retail sale.

24 (2)(a) Except as provided for in Subparagraph (b) of this Paragraph, at ~~At~~
25 the rate of forty-five hundredths of one percent of the cost price of each item or
26 article of tangible personal property when the same is not sold but is used, consumed,
27 distributed, or stored for use or consumption in this state, provided that there shall
28 be no duplication of the tax.

1 (b) Beginning January 1, 2025, through December 31, 2029, in addition to
 2 the tax levied in Subparagraph (a) of this Paragraph, there is hereby levied an
 3 additional tax of fifty-five hundredths of one percent of the cost price of each item
 4 or article of tangible personal property when the same is not sold but is used,
 5 consumed, distributed, or stored for use or consumption in this state, provided that
 6 there shall be no duplication of the tax.

7 (c) Beginning January 1, 2030, there is hereby levied a tax of seventy-five
 8 hundredths of one percent of the cost price of each item or article of tangible
 9 personal property when the same is not sold but is used, consumed, distributed, or
 10 stored for use or consumption in this state, provided that there shall be no duplication
 11 of the tax.

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

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

22 (b) Beginning January 1, 2025, through December 31, 2029, in addition to
 23 the tax levied in Subparagraph (a) of this Paragraph, there is hereby levied an
 24 additional tax of fifty-five hundredths of one percent of the gross proceeds derived
 25 from the lease or rental of tangible personal property, as defined in Chapter 2 of this
 26 Subtitle, where the lease or rental of such property is in an established business, or
 27 part of an established business, or the same is incidental or germane to the business.

1 (c) Beginning January 1, 2030, there is hereby levied a tax of seventy-five
 2 hundredths of one percent of the gross proceeds derived from the lease or rental of
 3 tangible personal property, as defined in Chapter 2 of this Subtitle, where the lease
 4 or rental of such property is in an established business, or part of an established
 5 business, or the same is incidental or germane to the business.

6 (2)(a) Except as provided for in Subparagraph (b) of this Paragraph, at ~~At~~ the
 7 rate of forty-five hundredths of one percent of the monthly lease or rental price paid
 8 by a lessee or rentee, or contracted or agreed to be paid by a lessee or rentee to the
 9 owner of the tangible personal property.

10 (b) Beginning January 1, 2025, through December 31, 2029, in addition to
 11 the tax levied in Subparagraph (a) of this Paragraph, there is hereby levied an
 12 additional tax of fifty-five hundredths of one percent of the monthly lease or rental
 13 price paid by a lessee or rentee, or contracted or agreed to be paid by a lessee or
 14 rentee to the owner of the tangible personal property.

15 (c) Beginning January 1, 2030, there is hereby levied a tax of seventy-five
 16 hundredths of one percent of the monthly lease or rental price paid by a lessee or
 17 rentee, or contracted or agreed to be paid by a lessee or rentee to the owner of the
 18 tangible personal property.

19 C.(1) Except as provided for in Paragraph (2) of this Subsection, in ~~in~~
 20 addition to the tax levied on sales of services by R.S. 47:302(C), 321(C), and 331(C)
 21 and collected under the provisions of Chapter 2 of this Subtitle, there is hereby levied
 22 a tax upon all sales of services in this state, as those services are defined by Chapter
 23 2 of this Subtitle, at the rate of forty-five hundredths of one percent of the amounts
 24 paid or charged for the services.

25 (2) Beginning January 1, 2025, through December 31, 2029, in addition to
 26 the tax levied in Paragraph (1) of this Subsection, there is hereby levied an additional
 27 tax of fifty-five hundredths of one percent tax upon all sales of services in this state,
 28 as those services are defined by Chapter 2 of this Subtitle, at the rate of forty-five
 29 hundredths of one percent of the amounts paid or charged for the services.

1 (3) Beginning January 1, 2030, there is hereby levied a tax of seventy-five
 2 hundredths of one percent upon all sales of services in this state, as those services are
 3 defined by Chapter 2 of this Subtitle.

4 * * *

5 E. The provisions of Subparagraphs (A)(1)(a) and (b) and (2)(a) and (b),
 6 (B)(1)(a) and (b) and (2)(a) and (b), and (C)(1) and (2) of this Section shall be
 7 inapplicable, inoperative, and of no effect after ~~June 30, 2025~~ December 31, 2029.

8 * * *

9 §322. Collection of the tax

10 The provisions of Chapter 2 of Subtitle II of this Title shall be applicable to
 11 the additional one percent tax herein levied and shall be collected, under ~~such~~ rules
 12 and regulations as the secretary of the Department of Revenue shall promulgate and
 13 adopt, in the manner now or hereafter prescribed for collection of the sales tax levied
 14 and collected pursuant to the provisions of ~~said~~ Chapter 2 and shall be subject to the
 15 same definitions, exemptions, tax credits, penalties, and limitations now or hereafter
 16 prescribed in ~~said~~ Chapter 2; ~~however, the tax levied by R.S. 47:321 shall not apply~~
 17 ~~to the furnishing of telecommunications services for compensation as provided in~~
 18 ~~R.S. 47:301(14)(i).~~

19 * * *

20 §331. Imposition of tax

21 A. In addition to the tax levied by R.S. 47:302(A) ~~and 321(A)~~, 321(A), and
 22 321.1(A) and collected under the provisions of Chapter 2 of Subtitle H of Title 47 of
 23 ~~the Louisiana Revised Statutes of 1950~~ Chapters 2 and 2-A of this Subtitle, there is
 24 hereby levied an additional tax upon the sale at retail, the use, the consumption, the
 25 distribution, and the storage for use or consumption in this state of each item or
 26 article of tangible personal property, as defined in Chapter 2 of this Subtitle H of
 27 ~~Title 47 of the Louisiana Revised Statutes of 1950~~; the levy of ~~said~~ the tax to shall
 28 be as follows:

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

1 (1) At the rate of ~~ninety-seven one hundredths of one percentum~~ one percent
 2 of the sales price of each item or article of tangible personal property when sold at
 3 retail in this state, the tax to be computed on gross sales for the purpose of remitting
 4 the amount of tax to the state, and to include each and every retail sale.

5 (2) At the rate of ~~ninety-seven one hundredths of one percentum~~ one percent
 6 of the cost price of each item or article of tangible personal property when ~~the same~~
 7 it is not sold but is used, consumed, distributed, or stored for use or consumption in
 8 this state, provided that there shall be no duplication of the tax.

9 B. In addition to the tax levied by R.S. 47:302(B) ~~and 321(B)~~, 321(B), and
 10 321.1(B) and collected ~~under the provisions of Chapter 2 of Subtitle II of Title 47 of~~
 11 ~~the Louisiana Revised Statutes of 1950~~ pursuant to the provisions of Chapters 2 and
 12 2-A of this Subtitle, there is hereby levied a tax upon the lease or rental within this
 13 state of each item or article of tangible personal property, as defined ~~by said Chapter~~
 14 ~~2 of Subtitle II of Title 47 of the Louisiana Revised Statutes of 1950; the levy of said~~
 15 ~~tax to be as follows in Chapter 2 of this Subtitle. The levy of the tax shall be as~~
 16 follows:

17 (1) At the rate of ~~ninety-seven one hundredths of one percentum~~ one percent
 18 of the gross proceeds derived from the lease or rental of tangible personal property,
 19 as defined in Chapter 2 of Subtitle II of Title 47 of the Louisiana Revised Statutes
 20 of 1950, where the lease or rental of such property is in an established business, or
 21 part of an established business, ~~or the same~~ is incidental or germane to the business.

22 (2) At the rate of ~~ninety-seven one hundredths of one percentum~~ one percent
 23 of the monthly lease or rental price paid by a lessee or rentee, or contracted or agreed
 24 to be paid by a lessee or rentee to the owner of the tangible personal property.

25 C. In addition to the tax levied on sales of services by R.S. 47:302(C) and
 26 321(C) and collected under the provisions of Chapter 2 of Subtitle II of this Title,
 27 there is hereby levied a tax upon all sales of services in this state, as defined by
 28 Chapter 2 of Subtitle II of this Title, at the rate of ~~ninety-seven one hundredths of~~
 29 one percent of the amounts paid or charged for such services. ~~The tax levied by this~~

1 ~~concerning a common sales tax law. If no request for an amendment of a particular~~
 2 ~~regulation has been received by the secretary by January 1, 2004, then that regulation~~
 3 Regulations of the Department of Revenue in effect on January 1, 2025, concerning
 4 a common sales tax law shall be applicable to all local tax authorities. If the
 5 regulation is amended, then that regulation as amended shall be applicable to both
 6 the state and to local taxing authorities notwithstanding any prior construction of
 7 ~~such~~ the law.

* * *

9 (4)(a) No regulatory action of the Department of Revenue concerning a
 10 common sales tax law shall be applicable to local tax authorities unless ~~such~~ the
 11 regulatory action is proposed and adopted in accordance with the provisions of this
 12 Paragraph. The procedure provided for in this Paragraph shall be specifically
 13 applicable to the following regulatory actions:

14 (i) ~~Regulations in effect on July 1, 2003, for which a written request for an~~
 15 ~~amendment has been received as provided for in Paragraph (2) of this Subsection.~~

16 (ii) Written requests by a collector for the adoption of a regulation as
 17 provided for in Paragraph (3) of this Subsection.

18 ~~(iii)~~(ii) Adoption, amendment, or repeal of regulations proposed after July
 19 1, 2003, by the secretary.

20 (b)(i) Any regulatory action concerning the regulations provided for in this
 21 Section shall be the same as is provided for in the Administrative Procedure Act,
 22 except as follows:

23 (aa)

* * *

25 (II) The secretary shall also make the same request of the board when a
 26 request has been received for ~~an amendment of a regulation as provided for in~~
 27 ~~Paragraph (2) of this Subsection or for~~ the adoption of a regulation as provided for
 28 in Paragraph (3) of this Subsection.

1 (bb)

2 * * *

3 (II) In the same manner, the secretary shall provide for the receipt of input
4 from a representative of any collector who has made a written request for the
5 ~~amendment of a regulation as provided for in Paragraph (2) of this Subsection or for~~
6 ~~the~~ adoption of a regulation as provided for in Paragraph (3) of this Subsection. In
7 that case, if the collector also requests a meeting, the secretary shall convene ~~such~~
8 a meeting to receive ~~such~~ input from the collector within fifteen days of the request,
9 unless another time is agreed to by the collector, at a time and place of the secretary's
10 choosing; however, if more than two collectors have made a request for ~~such~~ a
11 meeting, they shall select not more than two representatives to participate in ~~such the~~
12 meeting on their behalf.

13 * * *

14 §337.4. Levy of sales and use taxes

15 * * *

16 B. The local ordinance shall contain the following:

17 * * *

18 ~~(6) Optional exclusions or exemptions allowed by state sales and use tax law,~~
19 ~~adopted by the local ordinance pursuant to state law.~~

20 ~~(7)~~ Exclusions and exemptions adopted pursuant to legislation enacted ~~under~~
21 pursuant to Article VI, Section 29(D)(1) of the Constitution of Louisiana, but not
22 allowed as an exclusion or exemption from state sales and use tax.

23 ~~(8)~~(7) Penalty, interest, or attorney fees due on the sales and use tax. The
24 amount of ~~such the~~ penalty, interest, and attorney fees shall be limited as provided
25 by law, including relevant jurisprudence, until ~~such the~~ statute or jurisprudence is
26 changed.

27 * * *

1 §337.6. Definitions

2 * * *

3 B. The words, terms, and phrases used in this Chapter shall have the same
4 meaning ascribed to them as provided for in ~~R.S. 47:301~~ Chapter 2 of this Subtitle,
5 unless the context clearly indicates a different meaning, except to the extent
6 expressly limited in that Section.

7 * * *

8 §337.8. Prohibited exemptions; specific application required

9 * * *

10 B.(1) No exemption from state sales and use tax enacted or granted after July
11 1, 2003, and before January 1, 2025, shall be applicable to the sales and use tax
12 imposed by local taxing authorities unless the exemption expressly states within its
13 statutory language that it applies to sales and use taxes imposed by local taxing
14 authorities.

15 (2) Any exemption enacted after July 1, 2003, that ~~expressly states within~~
16 ~~its statutory language that it applies to sales and use taxes imposed by local taxing~~
17 ~~authorities~~ or any taxing authority shall be effective as provided in the Act, and shall
18 be added to this Chapter by the Law Institute pursuant to R.S. 47:337.87.

19 * * *

20 §337.10. Optional ~~exclusions and~~ exemptions

21 A. ~~As provided for in R.S. 47:305(D)(5)(c), for the time after July 1, 1999,~~
22 ~~a taxing authority may by ordinance or resolution provide for the following:~~

23 (1) ~~Except as provided for in R.S. 47:305.76 and 337.9(D)(34), an exemption~~
24 ~~for the sale of prescription drugs used in the treatment of various diseases or injuries,~~
25 ~~or an exemption for the procurement and administration of chemotherapy drugs, if~~
26 ~~such drugs are used exclusively by the patient in his medical treatment if~~
27 ~~administered exclusively to the patient by a physician, nurse, or other health care~~
28 ~~professional in a physician's office where patients are not regularly kept as bed~~
29 ~~patients for twenty-four hours or more.~~

1 ~~(2) An amnesty for any person who may have been responsible to impose,~~
 2 ~~collect, and/or remit the tax previously imposed on the transactions provided for in~~
 3 ~~Paragraph (1) this Subsection prior to the time such exemption and/or amnesty is~~
 4 ~~granted according to such reasonable terms and conditions as the respective taxing~~
 5 ~~authorities may adopt.~~

6 ~~B. As provided for in R.S. 47:305.25(B) and (C):~~

7 ~~(1) In the parish of West Carroll, the parish school board may exempt the~~
 8 ~~farm equipment as provided in R.S. 47:305.25(A) from additional sales and use taxes~~
 9 ~~after approval by a majority of the qualified electors of the parish and the police jury~~
 10 ~~may exempt the equipment as provided in that Section from all sales and use taxes~~
 11 ~~which it is presently levying and collecting and shall exempt such equipment from~~
 12 ~~any additional sales and use tax or taxes which it may hereafter levy and collect.~~

13 ~~(2) Except as provided in Paragraph (1) of this Subsection:~~

14 ~~(a) A city or parish school board may by resolution adopted by the board~~
 15 ~~provide an exemption for farm equipment as defined in R.S. 47:305.25(A).~~

16 ~~(b) The governing authority of a municipality may by resolution or ordinance~~
 17 ~~provide an exemption for farm equipment as defined in R.S. 47:305.25(A) from all~~
 18 ~~of its sales and use taxes.~~

19 ~~(c) The governing authority of a parish may by resolution or ordinance~~
 20 ~~provide an exemption for farm equipment as defined in R.S. 47:305.25(A) from all~~
 21 ~~of its sales and use taxes and all sales and use taxes of political subdivisions levied~~
 22 ~~solely within the territory of the parish, except municipal and school board taxes.~~

23 ~~C. As provided for in R.S. 47:305.30, notwithstanding the provisions of any~~
 24 ~~other law to the contrary, the governing authority of any political subdivision in the~~
 25 ~~parish of Plaquemines may exclude and exempt from any sales and use tax levied by~~
 26 ~~such governing authority any item excluded and exempted from the sales and use~~
 27 ~~taxes imposed by the state of Louisiana under Chapter 2 and Chapter 2-A of Subtitle~~
 28 ~~H of this Title. It is expressly provided that the provisions of this Subsection shall~~
 29 ~~also be applicable to any sales and use taxes being imposed by such governing~~

1 authority as of July 6, 1981; provided, that no bonds or other obligations payable
2 from the proceeds of such taxes have been issued and are outstanding.

3 ~~D. As provided for in R.S. 47:305.37(B) with regard to diesel fuel, propane,~~
4 ~~or other liquefied petroleum gases used or consumed for farm purposes, in Rapides~~
5 ~~Parish:~~

6 (1) ~~The parish school board may by resolution adopted by the board provide~~
7 ~~an exemption from its sales and use tax as is provided for state sales tax in R.S.~~
8 ~~47:305.37(A).~~

9 (2) ~~The governing authority of a municipality may by resolution or ordinance~~
10 ~~provide an exemption as is provided for state sales tax in R.S. 47:305.37(A) from its~~
11 ~~sales and use tax and all sales and use taxes of political subdivisions levied solely~~
12 ~~within the territory of the municipality, except school board taxes.~~

13 (3) ~~The governing authority of a parish may by resolution or ordinance~~
14 ~~provide an exemption as is provided for state sales tax in R.S. 47:305.37(A) from its~~
15 ~~sales and use tax and all sales and use taxes of political subdivisions levied within~~
16 ~~the territory of the parish and all sales taxes levied both within and without the~~
17 ~~municipality, except school board taxes.~~

18 ~~E. As provided for in R.S. 47:305.52, a political subdivision may, by~~
19 ~~ordinance, provide for a sales and use tax exemption within the entire area of the~~
20 ~~political subdivision for sales of custom computer software.~~

21 ~~F. As provided for in R.S. 47:301(14)(g)(i)(bb), any political subdivision,~~
22 ~~other than a tax authority in East Feliciana Parish to which the exclusion already~~
23 ~~applies, may apply the exclusion as defined in R.S. 47:301(14)(g)(i)(bb) to sales or~~
24 ~~use taxes levied by any such political subdivision, so that a charge for the furnishing~~
25 ~~of repairs to tangible personal property shall be excluded from sales of services, as~~
26 ~~defined in R.S. 47:301(14)(g)(i), when the repaired property is (1) delivered to a~~
27 ~~common carrier or to the United States Post Office for transportation outside the~~
28 ~~state, or (2) delivered outside the state by use of the repair dealer's own vehicle or by~~
29 ~~use of an independent trucker. However, as to aircraft, delivery may be by the best~~

1 available means. Offshore areas shall not be considered another state for the purpose
2 of this Subsection and R.S. 47:301(14)(g)(i).

3 G. ~~As provided for in R.S. 47:301(16)(i)(vi), taxing authorities are hereby~~
4 ~~authorized to provide an exemption from any local sales and use tax liability to any~~
5 ~~taxpayers holding a Federal Communications Commission license issued pursuant~~
6 ~~to 47 CFR Part 73 which have purchased any of the digital television conversion~~
7 ~~equipment and/or digital radio conversion equipment listed in R.S. 47:301(16)(i)(i)~~
8 ~~and (i)(ii). Local taxing authorities are further authorized to provide a credit against~~
9 ~~any tax liability for the amount of local sales tax paid by taxpayers holding Federal~~
10 ~~Communications Commission licenses issued pursuant to 47 CFR Part 73 on any~~
11 ~~equipment listed in Item (i) or (ii) of 47:301(16)(f) purchased subsequent to January~~
12 ~~1, 1999, but prior to June 25, 2002.~~

13 H.(1) ~~Political subdivisions are prohibited from levying a sales and use tax~~
14 ~~on telecommunication services as defined in Chapter 2 of Subtitle H of this Title not~~
15 ~~in effect on July 1, 1990.~~

16 (2) ~~The provisions of this Paragraph shall not be construed to prohibit the~~
17 ~~levy or collection of any franchise, excise, gross receipts, or similar tax or~~
18 ~~assessment by any political subdivision of the state as defined in Article VI, Section~~
19 ~~44(2) of the Constitution of Louisiana.~~

20 I.(1) A political subdivision may provide for a sales and use tax ~~exclusion~~
21 exemption as provided for in R.S. 47:301(3)(f), (13)(k), or (28) R.S. 47:305(A)
22 through (E), or any combination of these or all of them, for the sales, cost, or lease
23 and rental price of manufacturing machinery and equipment, either effective upon
24 adoption or enactment or phased in over a period of time, or effective for a certain
25 period of time or duration, all as set forth in the instrument, resolution, vote, or other
26 affirmative action providing for the exclusion exemption.

27 (2) B. Pursuant to the authority provided for in Paragraph (1) of this
28 Subsection Subsection A of this Section, a political subdivision may provide an

1 ~~exclusion exemption~~ from its tax for any class or classes of manufacturers, including
 2 ~~a glass container manufacturer with a NAICS Code of 327213.~~

3 ~~(3)(a) Pursuant to the authority provided for in Paragraph (1) of this~~
 4 ~~Subsection, a political subdivision may provide an exclusion from its tax for any~~
 5 ~~other machinery, equipment, supplies, materials, or services used or consumed in the~~
 6 ~~business of farming.~~

7 ~~(b) The authority provided to political subdivisions in this Paragraph shall~~
 8 ~~be in addition to the authority provided to political subdivisions in Paragraph (1) of~~
 9 ~~this Subsection to exclude from their tax machinery and equipment that is eligible~~
 10 ~~for depreciation for federal income tax purposes and that is used as an integral part~~
 11 ~~of the production, processing, and storing of food and fiber or of timber by an~~
 12 ~~individual or entity which is assigned by the Louisiana Workforce Commission a~~
 13 ~~North American Industrial Classification System code within the agricultural,~~
 14 ~~forestry, fishing, and hunting Sector 11, all as defined in and provided for in R.S.~~
 15 ~~47:301(3)(i)(ii), and the authorization in Subsections B, C, and D of this Section for~~
 16 ~~certain political subdivisions to exempt that portion of the sales price of farm~~
 17 ~~machinery and equipment provided for in R.S. 47:305.25(A) in excess of fifty~~
 18 ~~thousand dollars, or any other exclusion or exemption that may be provided by law.~~

19 ~~J. A political subdivision may by ordinance or resolution provide that sales~~
 20 ~~and use tax imposed by the political subdivision shall not apply to parts or services~~
 21 ~~used in the fabrication, modification, or repair of rail rolling stock.~~

22 ~~K.(1) C. Except as provided in Paragraph (2) of this Subsection, the The~~
 23 ~~following medications shall be exempt from the sales and use tax of any political~~
 24 ~~subdivision in Caddo Parish:~~

25 ~~(a) (1) Vaso-endothelial growth factor, known as VEGF inhibitors, including~~
 26 ~~but not limited to Visudyne and Macugen.~~

27 ~~(b) (2) Complex biologics such as monoclonal antibodies, including but not~~
 28 ~~limited to Infliximab.~~

1 (2) ~~The provisions of Paragraph (1) of this Subsection shall not apply to sales~~
2 ~~and use taxes levied by the parish governing authority, the school board, or the~~
3 ~~sheriff of any such parish until after July 1, 2006.~~

4 ~~L. A political subdivision located in St. Charles Parish may by ordinance or~~
5 ~~resolution provide that sales and use tax imposed by the political subdivision shall~~
6 ~~not apply to the same purchases, at the same time, according to the same definitions~~
7 ~~and procedures, under the same conditions, and exempting the same amount of sales~~
8 ~~price or cost price of tangible personal property as provided for in Act No. 244 of the~~
9 ~~2007 Regular Session of the Legislature or in any other act enacted in that session~~
10 ~~or in any other session which provides for annual sales tax holidays.~~

11 ~~M. A political subdivision may by ordinance or resolution provide that sales~~
12 ~~and use tax imposed by the political subdivision shall not apply to storm shutter~~
13 ~~devices as defined in R.S. 47:301(10)(cc).~~

14 ~~⊖~~ D. As provided for in R.S. 47:305.64, political subdivisions, including
15 municipalities and parishes, may elect to provide for a sales and use tax exemption
16 for the amount paid by qualifying radiation therapy treatment centers for the
17 purchase, lease, or repair of capital equipment and the purchase, lease, or repair of
18 software used to operate capital equipment.

19 ~~P. As provided for in R.S. 47:337.10.2, a political subdivision may by~~
20 ~~ordinance or resolution exempt purchases of feminine hygiene products, diapers, or~~
21 ~~both for personal use from all or part of the sales and use tax levied by the political~~
22 ~~subdivision.~~

23 * * *

24 §337.13. Collection of sales and use taxes by political subdivisions

25 A. Any sales and use tax levied by taxing authorities located within a single
26 parish ~~may~~ shall be collected by a single tax collector for that parish or a central
27 collection commission in accordance with R.S. 47:337.14.

28 * * *

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1 §463.8. Antique license plates and license plates for antique motor vehicles and
2 motorcycles

3 * * *

4 B.(1)

5 * * *

6 (b)(i) ~~Except as provided in Item (ii) of this Subparagraph, after~~ From
7 August 15, 1999, through June 30, 2019, and beginning January 1, 2025, and
8 thereafter, the fee for issuing such special plates for antique motor vehicles or
9 motorcycles shall be a one-time fee of twenty-five dollars and a one-time fee of fifty
10 dollars for the personalized prestige plates.

11 (ii) ~~After June 30, 2019,~~ Beginning July 1, 2019, through December 30,
12 2024, the fee for issuing special plates for antique motor vehicles which qualify for
13 the sales and use tax exemption in R.S. 47:6040 shall be one thousand dollars.

14 * * *

15 (3) The fee for transferring a special license plate for an antique motor
16 vehicle or an antique license plate to a subsequent owner of the vehicle shall be three
17 dollars. ~~Beginning July 1, 2019, the fee for transferring a license plate for an antique~~
18 ~~motor vehicle or an antique license plate to a subsequent owner of the vehicle for a~~
19 ~~motor vehicle that qualifies for the sales and use tax exemption in R.S. 47:6040 shall~~
20 ~~be one thousand dollars.~~

21 * * *

22 §3204. Contracts of exemption; renegotiation; violations; lists; priority of
23 exemptions

24 * * *

25 M. No contracts shall be entered into and no existing contracts may be
26 renewed pursuant to the provisions of this Section after June 30, 2025.

27 * * *

1 §4302. Contracts of exemption; renegotiation; violation; lists

2 * * *

3 B.(1) Each contract of exemption entered into under authority of this Chapter
4 may be renewed for periods of up to five years, provided that the total number of
5 years of exemption shall not exceed fifteen years unless otherwise provided in R.S.
6 47:3204(B)(1)(c).

7 (2) No contracts shall be entered into and no existing contracts may be
8 renewed pursuant to the provisions of this Section after June 30, 2025.

9 * * *

10 §6001. Antique airplanes and certain other aircraft

11 A. ~~No tax imposed by the state or by any parish, municipality, school board,~~
12 ~~or any political subdivision of the state shall be imposed on antique airplanes which~~
13 ~~are maintained by private collectors and not used for commercial purposes, and no~~
14 personal property tax shall be imposed on any aircraft weighing less than six
15 thousand pounds which is owned by a private individual and not used for
16 commercial or profit-making profit-making purposes. ~~The exemption from local~~
17 ~~taxes contained in this Section is granted notwithstanding the provisions of R.S.~~
18 ~~47:302, and such exemption shall apply to any sales and use tax levied by any local~~
19 ~~governmental subdivision or school board.~~

20 * * *

21 §6006. Tax credits for local inventory taxes paid

22 A.(1) There shall be allowed a credit against ~~any~~ Louisiana individual income
23 ~~or corporation franchise~~ tax for ad valorem taxes paid to political subdivisions on
24 inventory held by manufacturers, distributors, and retailers.

25 (2) There shall be allowed a credit against ~~any~~ Louisiana individual income
26 ~~or corporation franchise~~ tax for ad valorem taxes paid to political subdivisions on
27 natural gas held, used, or consumed in providing natural gas storage services or
28 operating natural gas storage facilities.

1 F. At any time after a finding of overvaluation or misclassification of
 2 inventory for the purposes of this credit by audit or on appeal by the Board of Tax
 3 Appeals or court that last reviews the matter, the secretary of the Department of
 4 Revenue may intervene in any proceeding related to the valuation or classification
 5 of property as inventory for which a credit will be claimed pursuant to this Section.

6 G. Taxpayers that pay ad valorem taxes for the 2020 tax year that are eligible
 7 for the credit provided by this Section but are paid after December 31, 2020, may
 8 elect to treat these taxes as having been paid on December 31, 2020, for purposes of
 9 this credit, provided that the payments are made to the local tax collector on or
 10 before April 15, 2021. Taxpayers that make this election shall not also claim these
 11 taxes as having been paid in 2021 for purposes of claiming this credit for the 2021
 12 tax year.

13 H.(1) Notwithstanding the provisions of Subparagraphs (B)(1)(b) and
 14 (B)(3)(c) of this Section, for ad valorem taxes on inventory paid for tax year 2020,
 15 taxpayers whose ad valorem taxes eligible for the credit authorized pursuant to this
 16 Section paid to all political subdivisions in the taxable year was less than or equal to
 17 one million dollars shall be refunded all of the excess credit.

18 (2) The provisions of this Subsection shall apply only to taxpayers that
 19 employed a minimum of one hundred full-time employees at each location in the
 20 state for whom withholding tax was remitted to the Department of Revenue for at
 21 least one month within each of the first three quarters of calendar year 2020.

22 (3) The provisions of this Subsection shall not apply to manufacturers as
 23 defined in Subparagraph (C)(3)(b) of this Section.

24 §6007. Motion picture production tax credit

25 * * *

26 J. Credit caps, structured pay outs, and project size limitations.

27 (1) Department of Economic Development program issuance cap.

28 * * *

29

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(b)

* * *

(i) ~~For tax credits granted in a final certification letter prior to July 1, 2024,~~ if the total amount of credits granted to QECs in any fiscal year is less than the QEC cap, any residual amount of unused credits shall carry forward for use in subsequent years and may be granted in addition to the QEC cap for each year.

* * *

(c) For applications for state-certified productions and qualified entertainment companies submitted on or after July 1, 2023, but prior to July 1, 2025, the total amount of all tax credits granted in a final certification letter by the department in any fiscal year shall not exceed one hundred fifty million dollars. If the total amount of credits applied for in any particular year exceeds the aggregate amount of tax credits allowed for that year, the excess shall be treated as having been applied for on the first day of the subsequent year.

(d) For applications for state-certified productions and qualified entertainment companies submitted on or after July 1, 2025, the total amount of all tax credits granted in a final certification letter by the department in any fiscal year shall not exceed one hundred twenty-five million dollars. If the total amount of credits applied for in any particular year exceeds the aggregate amount of tax credits allowed for that year, the excess shall be treated as having been applied for on the first day of the subsequent year.

(2) Department of Revenue taxpayer claim cap.

(a)(i) Beginning July 1, 2017, through June 30, 2025, claims against state income tax allowed on returns for tax credits or transfers of such tax credits, including legacy credits, to the Department of Revenue as provided for in Paragraph (C)(4) of this Section shall be limited to an aggregate total of one hundred eighty million dollars each fiscal year. ~~For claims allowed on returns for tax credits or transfers of such tax credits to the Department of Revenue on or before June 30, 2024,~~ if less than one hundred eighty million dollars of such tax credits and transfers

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1 are allowed in a fiscal year, the remaining amount, plus any amounts remaining from
2 previous fiscal years, shall be added to the one hundred eighty million dollar limit
3 of subsequent fiscal years until that amount of tax credits or tax credit transfers to the
4 Department of Revenue are claimed and allowed.

5 (ii) Beginning July 1, 2025, claims against state income tax allowed on
6 returns for tax credits or transfers of such tax credits to the Department of Revenue
7 as provided for in Paragraph (C)(4) of this Section shall be limited to an aggregate
8 total of one hundred twenty-five million dollars each fiscal year.

9 * * *

10 §6015. Research and development tax credit

11 * * *

12 M.(1) Beginning July 1, 2025, claims against state income tax allowed on
13 returns for tax credits as provided for in this Section shall be limited to an aggregate
14 total of twelve million dollars each fiscal year.

15 (2) Claims for tax credits shall be allowed on a first-come, first-served basis.
16 Any taxpayer whose claim for such tax credits is disallowed because the fiscal year
17 cap has been reached may use the tax credits against state income tax due in an
18 original return filed in the next fiscal year, and his claim shall have priority over
19 other claims filed after the date of his original claim.

20 * * *

21 §6019. Tax credit; rehabilitation of historic structures

22 A.(1)

23 * * *

24 (e)(i) For State of Louisiana Commercial Rehabilitation Tax Credit Part 2
25 applications received by the Department of Culture, Recreation and Tourism on or
26 after January 1, 2021, but prior to January 1, 2025, the maximum aggregate total of
27 tax credits that may be reserved by all taxpayers pursuant to the provisions of this
28 Section shall not exceed one hundred twenty-five million dollars annually. ~~If and if~~
29 the amount of tax credit reservations issued in a calendar year is less than one

1 hundred twenty-five million dollars, the excess reservation amount shall be available
 2 for issuance in any subsequent calendar year. ~~The Department of Culture, Recreation~~
 3 ~~and Tourism shall establish by rule the method of reserving available tax credits~~
 4 ~~including but not limited to a first-come, first-served system or any other method that~~
 5 ~~the Department of Culture, Recreation and Tourism determines to be beneficial to~~
 6 ~~the program. Rules promulgated pursuant to the provisions of this Subparagraph~~
 7 ~~shall be subject to oversight by the House Committee on Ways and Means and the~~
 8 ~~Senate Committee on Revenue and Fiscal Affairs. The Department of Revenue and~~
 9 ~~the Department of Culture, Recreation and Tourism shall make reasonable efforts to~~
 10 ~~post a listing of estimated credit amounts remaining under the annual cap on their~~
 11 ~~websites.~~

12 (ii) For State of Louisiana Commercial Rehabilitation Tax Credit Part 2
 13 applications received by the Department of Culture, Recreation and Tourism on or
 14 after January 1, 2025, the maximum aggregate total of tax credits that may be
 15 reserved by all taxpayers pursuant to the provisions of this Section shall not exceed
 16 eighty-five million dollars annually.

17 (iii) The Department of Culture, Recreation and Tourism shall establish by
 18 rule the method of reserving available tax credits including, but not limited to a
 19 first-come, first-served system or any other method that the Department of Culture,
 20 Recreation and Tourism determines to be beneficial to the program. Rules
 21 promulgated pursuant to the provisions of this Subparagraph shall be subject to
 22 oversight by the House Committee on Ways and Means and the Senate Committee
 23 on Revenue and Fiscal Affairs. The Department of Revenue and the Department of
 24 Culture, Recreation and Tourism shall make reasonable efforts to post a listing of
 25 estimated credit amounts remaining under the annual cap on their websites.

* * *

§6020. Angel Investor Tax Credit Program

* * *

1 H. No credits shall be granted or reserved under this program for reservation
2 applications received by the department ~~on or after July 1, 2030~~ June 30, 2025.

3 * * *

4 §6023. Sound recording investor tax credit

5 * * *

6 I. No credits shall be granted pursuant to the provisions of this Section for
7 applications received on or after ~~July 1, 2026~~ July 1, 2025.

8 * * *

9 Section 3. R.S. 51:1286, 1787(L), and 2461 are hereby amended and reenacted and
10 R.S. 51:2399(C) is hereby enacted to read as follows:

11 §1286. Sales and use tax

12 A. In order to provide funds for the purpose of assisting the state in the
13 promotion of tourism, ~~the district is hereby authorized, to levy and collect a sales and~~
14 ~~use tax not to exceed three one hundredths of one percent, said tax to be effective on~~
15 ~~or after July 1, 1990~~ after allocation of money to the bond Security and Redemption
16 Fund as provided in Article VII, Section 9(B) of the Constitution, the treasurer shall
17 deposit in and credit to the district, three one hundredths of one percent of the avails
18 of the tax imposed by R.S. 47:331.

19 ~~B. The tax so authorized shall be imposed by ordinance adopted by the~~
20 ~~district without the need of an election and shall be levied upon the sale at retail, the~~
21 ~~use, the lease or rental, the distribution, the consumption, and the storage for use or~~
22 ~~consumption of tangible personal property, and on sales of services in the state of~~
23 ~~Louisiana, as now or hereafter defined in and as provided by Chapter 2 of Subtitle~~
24 ~~H of Title 47 of the Louisiana Revised Statutes of 1950, subject to the exemptions~~
25 ~~and suspensions of exemptions to the same extent that such exemptions and~~
26 ~~suspensions of exemptions now or hereafter apply to the tax levied in R.S. 47:331.~~

27 ~~€.(1) B.(1)~~ B.(1) The proceeds of the tax herein authorized shall be irrevocably
28 pledged and dedicated for the purposes and in the order of priority as provided in
29 Paragraph (2) of this Subsection.

1 (2)(a) For paying costs annually incurred that are associated with the levy
2 and collection of the sales tax authorized by this Subpart.

3 (b) To transfer such amounts as may be determined by the district to the
4 Department of Culture, Recreation and Tourism for the promotion of the state's
5 tourism industry through the purchase of media advertisement, including but not
6 limited to newspaper, magazine, billboard, radio, and television advertisement.

7 (c) To transfer such amounts as may be determined by the district to the
8 Department of Culture, Recreation and Tourism to assist the state in the promotion
9 of tourism. Provided that any funds used by the department for the purchase of in-
10 state media advertisement shall not exceed ten percent of all funds used for the
11 purchase of media advertisement, and that such expenditures are consistent with the
12 office of tourism's strategic plan for marketing.

13 ~~(4)~~ (3) Any expenditure of funds by the Department of Culture, Recreation
14 and Tourism from amounts transferred by the district in accordance with Paragraphs
15 (1) and (2) of this Subsection shall be by annual appropriation by the legislature and
16 shall be consistent with the tourism strategic plan.

17 ~~D. C.~~ C. The district may contract with the state for the collection of said sales
18 and use taxes under such terms and conditions as it may deem appropriate, and may
19 adopt such rules and regulations pursuant thereto regarding the enforcement and
20 collection of the tax authorized by this Section.

21 §1787. Enterprise zone incentives

22 * * *

23 L. The department shall not accept any advance notification on or after ~~July~~
24 ~~1, 2026~~ July 1, 2025.

25 * * *

26 §2399.3. Modernization tax credit

27 * * *

28 C. No credits shall be granted pursuant to the provisions of this Section for
29 applications received after June 30, 2025.

30 * * *

1 §2461. Application deadline

2 No new advance notifications under this Chapter shall be accepted by the
3 Department of Economic Development after ~~June 30, 2026~~ June 30, 2025. However,
4 an employer that was approved by the department to receive incentives under the
5 program on or before ~~June 30, 2026~~ June 30, 2025, shall continue to receive
6 incentives pursuant to the terms of its agreement with the state of Louisiana as long
7 as the employer retains its eligibility.

8 Section 4. Part V of Chapter 3 of Title 40, comprised of R.S. 40:582.1 through
9 582.7, R.S. 47:9, 32(B), 32.1, 79, 293(9)(a)(ix) and (xvii), 293.2, 297, 297.2, 297.6, 297.7,
10 297.9, 297.20(A)(2), 297.21(A)(2), 301(4)(m) and (n) and (31), 301.1(B)(2)(e) and (f) and
11 (F), 301.2, 302(F) through (J), (L) through (T), and (X) through (CC), 305(D)(3) through (6),
12 305.14, 305.18, 305.24 through 305.26, 305.28, 305.30, 305.33, 305.37, 305.40 through
13 305.44, 305.46, 305.47, 305.49, 305.50(E) and (F), 305.52 through 305.54, 305.56 through
14 305.61, 305.63 through 305.65, 305.68, 305.71, 305.73(A)(5) and (6), (E) and (F), 305.74,
15 305.77 through 305.80, 306(A)(6) and (7), and (D), 315.1 through 315.3, 315.5, 321(E)
16 through (Q), 321.1(F), (I), and (J), 331(F) through (W), 337.2(A)(2) and (B)(3)(e) through
17 (h), 337.4(B)(4) and (8), 337.5(A)(1)(e), 337.10.1 through 337.10.2, 337.11.1, 337.11.2,
18 337.18(A)(3), 337.23(C)(1)(a)(ii), 338.1(B), 340(G)(6)(d), 6003, 6006(F), (G), and (H), and
19 6040, and Chapter 10 of Title 51 of the Louisiana Revised Statutes of 1950, comprised of
20 R.S. 51:1301 through 1316, are hereby repealed in their entirety.

21 Section 5. The Louisiana State Law Institute is hereby authorized and directed to
22 review all statutes modified or repealed by this Act and make the necessary changes to the
23 Uniform Local Sales Tax Code in accordance with R.S. 47:337.87.

24 Section 6. The provisions of this Act shall be applicable to taxable periods beginning
25 on and after January 1, 2025.

26 Section 7. This Act shall become effective upon signature by the governor or, if not
27 signed by the governor, upon expiration of the time for bills to become law without signature
28 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If

1 vetoed by the governor and subsequently approved by the legislature, this Act shall become
2 effective on the day following such approval.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____