



LEGISLATIVE FISCAL OFFICE  
Fiscal Note

Fiscal Note On: **SB 243** SLS 25RS 630

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> May 8, 2025	11:26 AM	<b>Author:</b> REESE
<b>Dept./Agy.:</b> Revenue/Health		
<b>Subject:</b> Sale/Use - Exempt. Prescription Drugs		<b>Analyst:</b> Mimi Blanchard

TAX EXEMPTIONS

EG SEE FISC NOTE LF RV See Note

Page 1 of 1

Provides relative to the sales and use tax exemption for the sale of certain prescription drugs. (gov sig)

Current law exempts the sale of prescription drugs from state and local sales and use taxes when sold pursuant to the Louisiana Children's Health Insurance Program (LaCHIP) under Title XXI of the Social Security Act and through the pharmaceutical vendor program under Title XIX of the Social Security Act, as administered by the Louisiana Department of Health.

Proposed law states that the exemption applies to the sale of prescription drugs to individuals enrolled in any Louisiana Medicaid program under Title XIX or the Louisiana CHIP program under Title XXI, regardless of whether the Medicaid provisions are administered by the Department of Health.

Effective upon signature.

EXPENDITURES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Annual Total	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

REVENUES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>SEE BELOW</b>	
Annual Total						

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

REVENUE EXPLANATION

To the extent that certain local taxing authorities currently impose sales tax on prescription drugs to individuals enrolled in Medicaid or LaCHIP and cease doing so as a result of this bill, local sales tax revenues may decrease by an indeterminable amount. Testimony indicates this bill provides a clarification for the taxation of prescription drugs sold through managed care organizations providing Medicaid services.

Under current law, all prescription drugs are exempt from state sales tax, therefore LDR reports no impact as a result of this bill.

Senate

Dual Referral Rules

House

☐ 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}

☐ 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}



Deborah Vivien  
Chief Economist