DIGEST

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Henry HB No. 247

Abstract: Excludes from state and local sales and use tax sales of tangible personal property and services at certain events providing La. heritage, culture, crafts, art, food, and music which are sponsored by a nonprofit organization.

Present law provides numerous definitions for purposes of sales and use tax levied by the state and its political subdivisions.

Proposed law retains present law and grants an exclusion from state and local sales and use tax for tangible personal property and services sold at events sponsored by a tax exempt nonprofit organization when the event provides La. heritage, culture, crafts, art, food, and music. The exclusion provided in proposed law is limited to sales by or for the benefit of the sponsor of the event.

Present law specifies that the sales and use tax imposed by taxing authorities shall not apply to sales of tangible personal property and services sold at events sponsored by a nonprofit organization when the entire proceeds, except for necessary expenses such as fees paid for guest speakers, chair and table rentals, and food and beverage utility related items connected therewith, are used for educational, charitable, religious, or historical restoration purposes, including the furtherance of the civic, educational, historical, charitable, fraternal, or religious purpose of the organization.

Proposed laws retains present law and adds an exclusion from sales and use tax imposed by taxing authorities for the sales of tangible personal property and services sold at an event which is sponsored by a nonprofit organization which provides La. heritage, culture, crafts, art, food, and music, and for which the sponsor has contracted for production management and financing services for the event. Such services are deemed to be necessary expenses of the sponsor for purposes of the event.

(Amends R.S. 47:305.14(A)(1); Adds R.S. 47:301(10)(hh) and (14)(k))