

Regular Session, 2011

HOUSE BILL NO. 486

BY REPRESENTATIVE GREENE

TAX/SALES-USE-EXEMPT: Clarifies that video-on-demand and pay-per-view services shall be exempt from state and local sales and use tax

1 AN ACT

2 To amend and reenact R.S. 47:305.16, relative to sales and use tax; to provide relative to the
3 sales and use tax exemption for cable television installation; to provide relative to the
4 definition of regular service; to clarify that certain services shall be considered
5 regular service; to provide for an effective date; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:305.16 is hereby amended and reenacted to read as follows:

8 §305.16. Exclusions and exemptions; cable television installation regular service
9 and repair

10 The sales and use taxes imposed by the state or by any political subdivision
11 thereof shall not apply to necessary fees incurred in connection with the installation
12 and service of cable television. Such exemption shall not apply to purchases made
13 by any cable television system, but shall only apply to funds collected from the
14 subscriber for regular service, installation, and repairs. Regular service shall include
15 but not be limited to services transmitted through a signal such as video-on-demand
16 and pay-per-view services.

17 Section 2. This Act shall become effective upon signature by the governor or, if not
18 signed by the governor, upon expiration of the time for bills to become law without signature
19 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.
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DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Greene

HB No. 486

Abstract: Clarifies that for purposes of the state and local sales and use tax exemption for installation of cable television, "regular service" shall include services transmitted through a signal such as video-on-demand and pay-per-view.

Present law provides for an exemption from state and local sales and use tax for necessary fees incurred in connection with the installation and service of cable television. Further provides that the exemption shall only apply to funds collected from the subscriber for regular service, installation, and repairs.

Proposed law retains present law but clarifies that regular service shall include but not be limited to services transmitted through a signal such as video-on-demand and pay-per-view services.

Present law provides that the exemption shall not apply to purchases made by any cable television system.

Proposed law retains present law.

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

(Amends R.S. 47:305.16)