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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Heyward Jeffers.

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## DIGEST

Present law provides that, for purposes of the state sales and use tax, the term "sale at retail" shall not include the sale of any alternative substance when such alternative substance is used as a fuel by a manufacturer. Further defines the term "alternative substance" as any substance other than oil and natural gas and any product of oil and natural gas, including petroleum coke, landfill gas, reclaimed or waste oil, unblended biodiesel, or tire-derived fuel, but shall not include coal, lignite, refinery gas, nuclear fuel, or electricity.

Present law provides that, for purposes of the state sales and use tax, the term "use" shall not include the use, consumption, distribution, storage for use or consumption in La., or the exercise of any right or power over an alternative substance as defined in present law when such alternative substance is used as a fuel by a manufacturer.

Present law provides that the term "manufacturer" shall mean a person whose principal activity is manufacturing and who is assigned by the La. Workforce Commission a North American Industrial Classification System (NAICS) code with the agricultural, forestry, fishing, and hunting Sector 11 or the manufacturing Sectors 31-33 as they existed in 2002.

Present law provides that the state sales and use tax exclusion for certain alternative substances used as fuel by manufacturers shall become null and void on June 30, 2012.

Proposed law retains present law but extends the effectiveness of the state sales and use tax exemption from June 30, 2012, to June 30, 2015.

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

(Amends §3 of Act No. 345 of the 2005 R.S.)