
SENATE COMMITTEE AMENDMENTS

Amendments proposed by Senate Committee on Revenue and Fiscal Affairs to Original Senate Bill No. 258 by Senator Willard-Lewis

AMENDMENT NO. 1

On page 1, line 2, after "to provide" delete the remainder of the line, and on line 3, delete "and use taxes shall not apply to purchase of" and insert:

"with respect to the levy of state sales and use taxes upon transactions related to"

AMENDMENT NO. 2

On page 1, line 4, after "environments;" insert:

"to provide for a dedication of taxes collected on the sale or use of such property;"

AMENDMENT NO. 3

On page 1, delete lines 7 through 10, and insert:

§305.66. Taxation and dedication of proceeds: items manufactured for use in orbital environments

A.(1) Notwithstanding the provisions of R.S. 47:301(10)(c)(i)(aa) or any other law to the contrary, if for any reason the sale of an item manufactured for use in orbital environments is not subject to the sales tax of the state, then the sale or purchase of property, services, leases, or rentals which are used to be further processed or manufactured into such items shall be considered a taxable use of such items and shall be subject to the state use tax; provided that there shall be no duplication of the tax.

(2) For purposes of this Section, "items manufactured for use in orbital environments" shall mean an item that is intended to be placed into service more than five hundred miles above the earth's surface.

B.(1) Funds received by the Department of Revenue from state sales and use taxes collected upon transactions related to items for use in orbital environments as provided for in Subsection A of this Section shall be deposited upon receipt in the state treasury. After compliance with the requirements of Article VII, Section 9(B) of the Constitution of Louisiana relative to the Bond Security and Redemption Fund and prior to any money being placed into the general fund or any other fund, such funds shall be credited by the treasurer to a special fund hereby created in the state treasury to be known as the Orbital Manufacturing Development Fund.

(2) The money in the fund shall be invested by the treasurer in the same manner as money in the state general fund and interest earned on the investment of the money shall be credited to the fund after compliance with the requirements of Article VII, Section 9(B) relative to the Bond Security and Redemption Fund. All unexpended and unencumbered money in the fund at the end of the year shall remain in the fund.

(3)(a) The money in the Orbital Manufacturing Development Fund shall be administered by the Louisiana Economic Development Corporation pursuant to R.S. 51:2311 and the funds shall be deemed the property of the Louisiana Economic Development Corporation. The Louisiana Economic Development Corporation shall use money in the fund solely to make grants to manufacturers of items for use in orbital environments.

(b) Manufacturers of items for use in orbital environments who receive money from the Louisiana Economic Development Corporation pursuant to a cooperative endeavor agreement are hereby precluded from challenging a tax

5 On page 1, line 11, change "July" to "October"

7 On page 1, line 12, change "July" to "October"