Regular Session, 2011

HOUSE BILL NO. 508

BY REPRESENTATIVE LANDRY

TAX/SALES-USE, STATE: Authorizes a state sales and use tax exemption for the purchase and installation of certain adaptive devices for persons with orthopedic disabilities

AN ACT

To enact R.S. 47:305.66, relative to state sales and use tax; to authorize an exemption from state sales and use tax for the purchase of certain motor vehicles which have been or will be modified for use by a person with an orthopedic disability; to provide for requirements; to authorize the payment of rebates; to authorize rulemaking; to provide for applicability and an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:305.66 is hereby enacted to read as follows:

§305.66. Exemption; motor vehicles for use by persons with orthopedic disabilities

A. The sales and use tax imposed by the state of Louisiana and its political subdivisions whose boundaries are coterminous with the state shall not apply to the purchase of a motor vehicle that has been or will be modified for operation by, or for the transportation of, a person who is permanently orthopedically disabled at the time of purchase, and which is primarily driven by or used for the transportation of such person. The modifications shall be made in accordance with a prescription issued for the person by a physician, a licensed chiropractor, or a driver rehabilitation specialist licensed by the state. Travel trailers or other vehicles not designed to transport people are ineligible for the exemption.

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B.(1) As used in this Section, "orthopedically disabled" means a person who has permanent, limited movement of body extremities and loss of physical functions. The physical impairment shall be such that the person is either unable to operate or be transported in a reasonable manner in a motor vehicle that has not been specially modified.

(2) Modifications of a vehicle for the purpose of transporting an orthopedically disabled person shall include installation of such items as a wheelchair lift, hoist, attached ramp, wheelchair hold-down clamps, or special seat restraints other than conventional seat belts to allow for the transportation of an orthopedically disabled person in a reasonable manner.

(3) Modifications of a vehicle for operation by an orthopedically disabled person shall include altering such items as the conventional brake, acceleration, or steering systems to facilitate the operation of the vehicle by an orthopedically disabled person, and the installation of such items as a wheelchair lift, hoist, or attached ramp to allow an orthopedically disabled person to enter the motor vehicle.

C. The exemption authorized by this Section shall entitle the purchaser to a rebate of the state sales and use tax paid on the vehicle which may be claimed only after the vehicle modifications have been completed. To claim the exemption, the purchaser shall request a rebate in the form and manner prescribed by rule promulgated by the secretary of the Department of Revenue in accordance with the Administrative Procedure Act. A purchaser who requests a rebate shall, at the discretion of the secretary, provide documentation evidencing the person's disability, the prescription for modifications, the purchase of a vehicle, and the modification of the vehicle. The secretary shall pay a rebate to a purchaser who submits a rebate request which complies with the provisions of law and rule, which payment shall be made from general collections.

Section 2. This Act shall become effective October 1, 2011, and shall apply to purchases made on and after January 1, 2010.

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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)]

Landry HB No. 508

Abstract: Exempts from state sales and use tax the purchase of motor vehicles for use by persons with orthopedic disabilities.

Proposed law provides an exemption from state sales and use tax for the purchase of a motor vehicle that has been or will be modified in accordance with a medical prescription for use by a person who is permanently, orthopedically disabled at the time of purchase.

Proposed law excludes from the exemption travel trailers or other vehicles not designed to transport people.

Proposed law defines "orthopedically disabled" as a person who has permanent, limited movement of body extremities and loss of physical functions which prevent the person from either operating or being transported, in a reasonable manner, in a motor vehicle that has not been specially modified.

Proposed law provides a list of vehicle modifications relevant to the exemption, including wheelchair lifts, hoists, attached ramps, wheelchair hold-down clamps, special seat restraints, and the alteration of conventional brake, acceleration, or steering systems.

Proposed law provides that the exemption entitles the purchaser to a rebate of the state sales and use tax paid on the vehicle which may only be claimed after the vehicle modifications have been completed.

Proposed law provides that the claiming of a rebate shall be made pursuant to a procedure established by rule of the Dept. of Revenue. Information which may be required from a purchaser who requests a rebate includes documentation evidencing the person's disability, the prescription for modifications, the purchase of a vehicle, and the modification of the vehicle.

Proposed law authorizes the secretary of the Dept. of Revenue to pay rebates from general collections.

Proposed law is applicable to purchases made on or after Jan. 1, 2010.

Effective Oct. 1, 2011.

(Adds R.S. 47:305.66)

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Ways and Means to the original bill.

1. Changed the tax exemption from the state taxes on purchase of adaptive devices and modifications made to a motor vehicle for use by a disabled person to the state taxes on purchase of a motor vehicle which has been or will be modified for use by a person who is orthopedically disabled.

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2. Provided a definition of "orthopedically disabled", and added additional vehicle modifications to the list of modifications which are relevant to the exemption.

3. Added a procedure for claiming the exemption through a request made to the Dept. of Revenue for a rebate of state sales and use taxes paid on the purchase of the vehicle.

4. Added authorization for the payment of rebates from general collections.

5. Added an effective date of Oct. 1, 2011, and applicability of proposed law to purchases made on and after Jan. 1, 2010.

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