ENROLLED

Regular Session, 2011

ACT No. 372

HOUSE BILL NO. 247

BY REPRESENTATIVE HENRY

AN ACT

To amend and reenact R.S. 47:305.14(A)(1) and to enact R.S. 47:301(10)(hh) and (14)(k), relative to sales and use tax imposed by the state and certain other political subdivisions; to exclude certain sales of tangible personal property and services sold at certain events sponsored by a tax exempt nonprofit organization; to exclude certain sales of tangible personal property and services sold at certain events sponsored by a tax exempt nonprofit organization when the organization has contracted for certain services associated with the event; to provide an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:305.14(A)(1) is hereby amended and reenacted and R.S. 47:301(10)(hh) and (14)(k) are hereby enacted and to read as follows:

§301. Definitions

As used in this Chapter the following words, terms, and phrases have the meaning ascribed to them in this Section, unless the context clearly indicates a different meaning:

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(10)

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(hh) For purposes of sales and use tax imposed by the state, any political subdivision whose boundaries are coterminous with those of the state, or any other political subdivision, the term "sale at retail" shall not include the sale of tangible personal property at an event providing Louisiana heritage, culture, crafts, art, food, and music which is sponsored by a domestic nonprofit organization that is exempt from tax under Section 501(c)(3) of the Internal Revenue Code. The provisions of

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this Subparagraph shall apply only to an event which transpires over a minimum of seven but not more than twelve days and has a five-year annual average attendance of at least three hundred thousand over the duration of the event. For purposes of determining the five-year annual average attendance, the calculation shall include the total annual attendance for each of the five most recent years. The provisions of this Subparagraph shall apply only to sales by the sponsor of the event.

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(14)

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(k) For purposes of sales and use tax imposed by the state, any political subdivision whose boundaries are coterminous with those of the state, or any other political subdivision, the term "sales of services" shall not mean or include admission charges for, outside gate admissions to, or parking fees associated with an event providing Louisiana heritage, culture, crafts, art, food, and music which is sponsored by a domestic nonprofit organization that is exempt from tax under Section 501(c)(3) of the Internal Revenue Code. The provisions of this Subparagraph shall apply only to an event which transpires over a minimum of seven but not more than twelve days and has a five-year annual average attendance of at least three hundred thousand over the duration of the event. For purposes of determining the five-year annual average attendance, the calculation shall include the total annual attendance for each of the five most recent years. The provisions of this Subparagraph shall apply only to admission charges for, outside gate admissions to, or parking fees associated with an event when the charges and fees are payable to or for the benefit of the sponsor of the event.

* * *

§305.14. Exclusions and exemptions; nonprofit organizations; nature of exemption; limitations; qualifications; newspapers; determination of tax exempt status

A.(1)(a) The sales and use taxes imposed by taxing authorities shall not apply to sales of tangible personal property at, or admission charges for, outside gate admissions to, or parking fees associated with, events sponsored by domestic, civic,

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educational, historical, charitable, fraternal, or religious organizations, which are nonprofit, 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. In addition, newspapers published in this state by religious organizations shall also be exempt from such taxes, provided that the price paid for the newspaper or a subscription to the newspaper does not exceed the cost to publish such newspaper.

(b) Notwithstanding any other provision of this Section, the sales and use tax imposed by taxing authorities shall not apply to an event sponsored by a domestic nonprofit organization that is exempt from tax under Section 501(c)(3) of the Internal Revenue Code when the event provides Louisiana heritage, culture, crafts, art, food, and music, and the sponsor has contracted for production management and financing services for the event. Such services shall constitute necessary expenses of the sponsor for purposes of the event. The provisions of this Subparagraph shall apply only to the sales of tangible personal property and admission charges for, outside gate admissions to, or parking fees associated with an event when the sales, charges, and fees are payable to or for the benefit of the sponsor of the event. The provisions of this Subparagraph shall apply only to an event which transpires over a minimum of seven but not more than twelve days and has a five-year annual average attendance of at least three hundred thousand over the duration of the event. For purposes of determining the five-year annual average attendance, the calculation shall include the total annual attendance for each of the five most recent years.

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Section 2. This Act shall become effective on October 1, 2011.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____

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