

Regular Session, 2012

HOUSE BILL NO. 971

BY REPRESENTATIVE BARROW

VETOED
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Veto Message

1 AN ACT

2 To enact R.S. 47:551.1, relative to special districts; to authorize the establishment of an
3 automobile rental tax district in the parishes of East Baton Rouge, Ouachita, and
4 Rapides; to provide for the boundaries, governance, and powers of the district; to
5 authorize the levy of a tax on the lease or rental of certain automobiles under certain
6 circumstances; to provide for the use of the avails of the tax; to provide for an
7 effective date; and to provide for related matters.

8 Notice of intention to introduce this Act has been published
9 as provided by Article III, Section 13 of the Constitution of
10 Louisiana.

11 Be it enacted by the Legislature of Louisiana:

12 Section 1. R.S. 47:551.1 is hereby enacted to read as follows:

13 §551.1. Automobile rental tax district; parishes of East Baton Rouge, Ouachita, and
14 Rapides

15 A.(1) The governing authority of the parishes of East Baton Rouge,
16 Ouachita, and Rapides may each create, by ordinance, an automobile rental tax
17 district, referred to in this Section as the "district". The district shall be a political
18 subdivision of the state as defined in the Constitution of Louisiana.

19 (2) The boundaries of the district shall be coterminous with the boundaries
20 of the parish creating the district.

21 (3) The parish governing authority shall be the governing authority of the
22 district.

23 B.(1)(a) The district is authorized to levy an automobile rental tax, not to
24 exceed three percent of the gross proceeds derived from the lease or rental of an

1 automobile pursuant to an automobile rental contract, less any sales and use tax
 2 included in such contract. The tax shall be in addition to any tax, fee, or license
 3 imposed directly or indirectly.

4 (b) The tax shall be levied only after the question of its levy has been
 5 approved by a majority of the registered voters of the district who vote on the
 6 proposition authorizing the tax at an election held for that purpose in accordance
 7 with the Louisiana Election Code. The election on the question of the levy of the tax
 8 shall be held at the same time as a regularly scheduled election in the parish creating
 9 the district.

10 (c) The tax shall not apply to any automobile rented by an insurance
 11 company as a replacement vehicle for a policyholder or by an automobile dealer as
 12 a replacement vehicle while a customer's vehicle is being serviced or repaired, nor
 13 shall the tax apply to any individual or business who rents a vehicle as a replacement
 14 vehicle while his vehicle is being repaired if the individual presents to the renter
 15 upon return of the rented vehicle a copy of the repair or service invoice.

16 (2) For purposes of this Section "automobile rental contract" shall mean all
 17 agreements for the rental of an automobile without a driver designated to carry less
 18 than nine passengers for a period of not more than twenty-nine calendar days. Rental
 19 agreements for a period of more than twenty-nine calendar days shall not be subject
 20 to the tax, unless the actual period of the rental agreement is less than twenty-nine
 21 days as a result of the exercise of a cancellation clause.

22 C.(1) The avails of the tax in East Baton Rouge Parish shall be distributed
 23 as follows:

24 (a) Forty percent to the Arts Council of Greater Baton Rouge for its
 25 operations and programs.

26 (b) Fifteen percent to the Shaw Center for the Arts.

27 (c) Fifteen percent to the general fund of the parish of East Baton Rouge, city
 28 of Baton Rouge.

29 (d) Fifteen percent to the general fund of the East Baton Rouge Parish
 30 Sheriff's Office.

1 (e) Fifteen percent to the general fund of the East Baton Rouge District
2 Attorney's Office.

3 (2) The avails of the tax in Ouachita Parish shall be distributed as follows:

4 (a) Fifty percent to the general fund of the parish.

5 (b) Twenty percent to Score.

6 (c) Twenty percent to the parish council on aging.

7 (d) Ten percent to the food bank of Ouachita.

8 (3) The avails of the tax in Rapides Parish shall be distributed as follows:

9 (a) Fifty percent to the parish council on aging.

10 (b) Fifty percent to the Food Bank of Central Louisiana.

11 D. The parish governing authority shall prescribe in the ordinance creating
12 the district any other purposes of the district. The parish and the district may enter
13 into a cooperative endeavor agreement providing for cooperative efforts to exercise
14 any authorized governmental function of the parish.

15 Section 2. This Act shall become effective upon signature by the governor or, if not
16 signed by the governor, upon expiration of the time for bills to become law without signature
17 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
18 vetoed by the governor and subsequently approved by the legislature, this Act shall become
19 effective on the day following such approval.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____

VETO MESSAGE

House Bill No. 971 continues an automobile rental tax which is set to expire. I have made a commitment to the taxpayers of Louisiana to oppose all attempts to raise taxes.

For this reason, I have vetoed House Bill No. 971 and hereby return it to the House of Representatives.