

2016 Regular Session

HOUSE BILL NO. 772

BY REPRESENTATIVE ABRAMSON

TAX/TAX REBATES: Provides relative to certain rebate programs

1 AN ACT

2 To amend and reenact 47:6351(A)(3) and (B)(2), relative to rebate programs administered  
3 by the state; to provide relative to the Procurement Processing Company Rebate  
4 program; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 47:6351(A)(3) and (B)(2) are hereby amended and reenacted to read  
7 as follows:

8 §6351. Rebates; contracts for certain state sales and use tax rebates

9 A. Definitions. For purposes of this Section, the following words shall have  
10 the following meanings unless the context clearly indicates otherwise:

11 \* \* \*

12 (3) "New taxable sales" shall mean the sale of goods and services upon  
13 which state sales and use tax is paid under this Title and which would not have  
14 occurred in the state but for the operation in the state of a procurement processing  
15 company. The term "new taxable sales" shall not include any sales or purchases of  
16 services or property upon which ~~such~~ the sales and use tax would have been due if  
17 the procurement processing company was not operating in the state.

18 \* \* \*

19 B. Contract.

20 \* \* \*

1 (2) The contract shall include a provision whereby the procurement  
2 processing company expressly acknowledges that if it receives a rebate for new  
3 taxable sales under the provisions of this Section, in no event shall the taxes on ~~such~~  
4 the new taxable sales remitted to Louisiana by the purchasing company or affiliated  
5 entity constitute an overpayment as defined in R.S. 47:1621.

6 \* \* \*

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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)]

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HB 772 Original

2016 Regular Session

Abramson

**Abstract:** Provides relative to rebates programs administered by the state.

Present law authorizes the secretary of the Dept. of Economic Development (DED) to enter into a contract with a procurement processing company which recruits purchasing companies to La. for incentive rebate payments (hereinafter "rebates") in exchange for the generation of new state tax revenue from new taxable sales. Further requires the secretary of the Dept. of Revenue (DOR) to pay rebates from the state tax revenue generated by the new taxable sales occurring in La. as a result of the operation of a procurement processing company in La.

Proposed law makes technical revisions to present law.

(Amends 47:6351(A)(3) and (B)(2))