

2016 First Extraordinary Session

HOUSE BILL NO. 62

BY REPRESENTATIVE JACKSON

1 AN ACT

2 To amend and reenact R.S. 47:301(3), (7), (10), (13), (14), (16), (18), and (28) and 318(A),  
3 and to enact R.S. 47:321.1, relative to state sales and use tax; to impose a sales and  
4 use tax; to provide for the rate and base of the tax; to provide for the disposition of  
5 collections; to provide for exceptions and limitations; to provide for effectiveness;  
6 and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 47:301(3), (7), (10), (13), (14), (16), (18), and (28) and 318(A) are  
9 hereby amended and reenacted and R.S. 47:321.1 is hereby enacted to read as follows:

10 §301. Definitions

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

14 \* \* \*

15 (3)(a) "Cost price" means the actual cost of the articles of tangible personal  
16 property without any deductions therefrom on account of the cost of materials used,  
17 labor, or service cost, except those service costs for installing the articles of tangible  
18 personal property if such cost is separately billed to the customer at the time of  
19 installation, transportation charges, or any other expenses whatsoever, or the  
20 reasonable market value of the tangible personal property at the time it becomes  
21 susceptible to the use tax, whichever is less.

22 (b) In the case of tangible personal property which has acquired a tax situs  
23 in a taxing jurisdiction and is thereafter transported outside the taxing jurisdiction for  
24 repairs performed outside the taxing jurisdiction and is thereafter returned to the  
25 taxing jurisdiction, the cost price shall be deemed to be the actual cost of any parts

1 and/or materials used in performing such repairs, if applicable labor charges are  
2 separately stated on the invoice. If the applicable labor charges are not separately  
3 stated on the invoice, it shall be presumed that the cost price is the total charge  
4 reflected on the invoice.

5 (c) "Cost price" shall not include the supplying and installation of board  
6 roads to oil field operators if the installation charges are separately billed to the  
7 customer at the time of installation.

8 (d)(i) In the case of interchangeable components located in Louisiana, a  
9 taxpayer may elect to determine the cost price of such components as follows:

10 (aa) The taxpayer shall send to the secretary written notice of the calendar  
11 month selected by the taxpayer as the first month for the determination of cost price  
12 under this Paragraph (the "First Month"). The taxpayer may select any month. The  
13 taxpayer shall send to the secretary notice of an election to designate a First Month  
14 on the first day of the designated First Month, or ninety days from July 1, 1990,  
15 whichever is later.

16 (bb) For the First Month and each month thereafter, cost price shall be based  
17 and use tax shall be paid only on one-sixtieth of the aggregate cost price of the  
18 interchangeable components deployed and earning revenue within Louisiana during  
19 the month, without regard to any credit or other consideration for Louisiana state,  
20 political subdivision, or school board use tax previously paid on such  
21 interchangeable components.

22 (cc) Any election made under this Paragraph shall be irrevocable for a period  
23 of sixty consecutive months inclusive of the First Month. If at any time after the  
24 sixty-month period the taxpayer revokes its election, no credit or other consideration  
25 for use taxes paid pursuant thereto shall be applied to any use tax liability arising  
26 after such revocation.

27 (ii)(aa) For purposes of this Paragraph, "interchangeable component" means  
28 a component that is used or stored for use in measurement-while-drilling instruments  
29 or systems manufactured or assembled by the taxpayer, which measurement-while-

1 drilling instruments or systems collectively generate eighty percent or more of their  
2 annual revenue from their use outside of the state.

3 (bb) "Measurement-while-drilling instruments or systems" means  
4 instruments or systems which measure information from a downhole location in a  
5 borehole, transmit the information to the surface during the process of drilling the  
6 borehole using a wireless technique, and receive and decode the information on the  
7 surface.

8 (iii) The method for determining cost price of interchangeable components  
9 provided for in this Paragraph shall apply to any use taxes imposed by a local  
10 political subdivision or school board. For purposes of that application, the words  
11 "political subdivision" or "school board" as the case may be, shall be substituted for  
12 the words "Louisiana" or "State" in each instance where those words appear in this  
13 Paragraph and an appropriate official of the local political subdivision or school  
14 board shall be designated to receive the notices required by this Paragraph.

15 (e) "Cost price" shall not include any amount designated as a cash discount  
16 or a rebate by a vendor or manufacturer of any new vehicle subject to the motor  
17 vehicle license tax. For purposes of this Paragraph "rebate" means any amount  
18 offered by the vendor or manufacturer as a deduction from the listed retail price of  
19 the vehicle.

20 (f) The "cost price" of refinery gas shall be fifty-two cents per thousand  
21 cubic feet multiplied by a fraction the numerator of which shall be the posted price  
22 for a barrel of West Texas Intermediate Crude Oil on December first of the preceding  
23 calendar year and the denominator of which shall be twenty-nine dollars, and  
24 provided further that such cost price shall be the maximum value placed upon  
25 refinery gas by the state and by any political subdivision under any authority or grant  
26 of power to levy and collect use taxes.

27 (g) "Cost price", for purposes of the use tax imposed by the state and its  
28 political subdivisions, shall exclude any amount that a manufacturer pays directly to  
29 a dealer of the manufacturer's product for the purpose of reducing and that actually  
30 results in an equivalent reduction in the retail "cost price" of that product. This

1 exclusion shall not apply to the value of the coupons that dealers accept from  
2 purchasers as part payment of the "sales price" and that are redeemable by the  
3 dealers through manufacturers or their agents. The value of such coupons is deemed  
4 to be part of the "cost price" of the product purchased through the use of the coupons.

5 (h)(i) For purposes of a publishing business which distributes its news  
6 publications at no cost to readers and pays unrelated third parties to print such news  
7 publications, the term "cost price" shall mean only the lesser of the following costs:

8 (aa) The printing cost paid to unrelated third parties to print such news  
9 publications, less any itemized freight charges for shipping the news publications  
10 from the printer to the publishing business and any itemized charges for paper and  
11 ink.

12 (bb) Payments to a dealer or distributor as consideration for distribution of  
13 the news publications.

14 (ii) The definition of "cost price" provided for in this Subparagraph shall be  
15 applicable to taxes levied by all tax authorities in the state.

16 (i)(i) For purposes of the imposition of the use tax levied by the state ~~and any~~  
17 ~~political subdivision whose boundaries are coterminous with those of the state~~ under  
18 R.S. 47:302, 321, and 331, the cost price of machinery and equipment used by a  
19 manufacturer in a plant facility predominately and directly in the actual  
20 manufacturing for agricultural purposes or the actual manufacturing process of an  
21 item of tangible personal property, which is for ultimate sale to another and not for  
22 internal use, at one or more fixed locations within Louisiana, shall be reduced as  
23 follows:

24 (aa) For the period ending on June 30, 2005, the cost price shall be reduced  
25 by five percent.

26 (bb) For the period beginning July 1, 2005, and ending on June 30, 2006, the  
27 cost price shall be reduced by nineteen percent.

28 (cc) For the period beginning July 1, 2006, and ending on June 30, 2007, the  
29 cost price shall be reduced by thirty-five percent.

1 (dd) For the period beginning July 1, 2007, and ending on June 30, 2008, the  
2 cost price shall be reduced by fifty-four percent.

3 (ee) For the period beginning July 1, 2008, and ending on June 30, 2009, the  
4 cost price shall be reduced by sixty-eight percent.

5 (ff) For all periods beginning on or after July 1, 2009, the cost price shall be  
6 reduced by one hundred percent.

7 (ii) For purposes of this Subparagraph, the following definitions shall apply:

8 (aa) "Machinery and equipment" means tangible personal property or other  
9 property that is eligible for depreciation for federal income tax purposes and that is  
10 used as an integral part in the manufacturing of tangible personal property for sale.  
11 "Machinery and equipment" shall also mean tangible personal property or other  
12 property that is eligible for depreciation for federal income tax purposes and that is  
13 used as an integral part of the production, processing, and storing of food and fiber  
14 or of timber.

15 (I) Machinery and equipment, for purposes of this Subparagraph, also  
16 includes but is not limited to the following:

17 (aaa) Computers and software that are an integral part of the machinery and  
18 equipment used directly in the manufacturing process.

19 (bbb) Machinery and equipment necessary to control pollution at a plant  
20 facility where pollution is produced by the manufacturing operation.

21 (ccc) Machinery and equipment used to test or measure raw materials, the  
22 property undergoing manufacturing or the finished product, when such test or  
23 measurement is a necessary part of the manufacturing process.

24 (ddd) Machinery and equipment used by an industrial manufacturing plant  
25 to generate electric power for self consumption or cogeneration.

26 (eee) Machinery and equipment used primarily to produce a news  
27 publication whether it is ultimately sold at retail or for resale or at no cost. Such  
28 machinery and equipment shall include but not be limited to all machinery and  
29 equipment used primarily in composing, creating, and other prepress operations,  
30 electronic transmission of pages from prepress to press, pressroom operations, and

1 mailroom operations and assembly activities. The term "news publication" shall  
2 mean any publication issued daily or regularly at average intervals not exceeding  
3 three months, which contains reports of varied character, such as political, social,  
4 cultural, sports, moral, religious, or subjects of general public interest, and  
5 advertising supplements and any other printed matter ultimately distributed with or  
6 a part of such publications.

7 (II) Machinery and equipment, for purposes of this Subparagraph, does not  
8 include any of the following:

9 (aaa) A building and its structural components, unless the building or  
10 structural component is so closely related to the machinery and equipment that it  
11 houses or supports that the building or structural component can be expected to be  
12 replaced when the machinery and equipment are replaced.

13 (bbb) Heating, ventilation, and air-conditioning systems, unless their  
14 installation is necessary to meet the requirements of the manufacturing process, even  
15 though the system may provide incidental comfort to employees or serve, to an  
16 insubstantial degree, nonproduction activities.

17 (ccc) Tangible personal property used to transport raw materials or  
18 manufactured goods prior to the beginning of the manufacturing process or after the  
19 manufacturing process is complete.

20 (ddd) Tangible personal property used to store raw materials or  
21 manufactured goods prior to the beginning of the manufacturing process or after the  
22 manufacturing process is complete.

23 (bb) "Manufacturer" means:

24 (I) A person whose principal activity is manufacturing, as defined in this  
25 Subparagraph, and who is assigned by the Louisiana Workforce Commission a North  
26 American Industrial Classification System code within the agricultural, forestry,  
27 fishing, and hunting Sector 11, the manufacturing Sectors 31-33, the information  
28 Sector 511110 as they existed in 2002, or industry code 423930 as a recyclable  
29 material merchant wholesaler engaged in manufacturing activities, which must

1 include shredding facilities, as determined by the secretary of the Department of  
2 Revenue.

3 (II) A person whose principal activity is manufacturing and who is not  
4 required to register with the Louisiana Workforce Commission for purposes of  
5 unemployment insurance, but who would be assigned a North American Industrial  
6 Classification System code within the agricultural, forestry, fishing, and hunting  
7 Sector 11, the manufacturing Sectors 31-33, the information Sector 511110 as they  
8 existed in 2002, as determined by the Louisiana Department of Revenue from federal  
9 income tax data, if he were required to register with the Louisiana Workforce  
10 Commission for purposes of unemployment insurance.

11 (cc) "Manufacturing" means putting raw materials through a series of steps  
12 that brings about a change in their composition or physical nature in order to make  
13 a new and different item of tangible personal property that will be sold to another.  
14 Manufacturing begins at the point at which raw materials reach the first machine or  
15 piece of equipment involved in changing the form of the material and ends at the  
16 point at which manufacturing has altered the material to its completed form. Placing  
17 materials into containers, packages, or wrapping in which they are sold to the  
18 ultimate consumer is part of this manufacturing process. Manufacturing, for  
19 purposes of this Subparagraph, does not include any of the following:

20 (I) Repackaging or redistributing.

21 (II) The cooking or preparing of food products by a retailer in the regular  
22 course of retail trade.

23 (III) The storage of tangible personal property.

24 (IV) The delivery of tangible personal property to or from the plant.

25 (V) The delivery of tangible personal property to or from storage within the  
26 plant.

27 (VI) Actions such as sorting, packaging, or shrink wrapping the final  
28 material for ease of transporting and shipping.

1 (dd) "Manufacturing for agricultural purposes" means the production,  
 2 processing, and storing of food and fiber and the production, processing, and storing  
 3 of timber.

4 (ee) "Plant facility" means a facility, at one or more locations, in which  
 5 manufacturing, referred to in Sectors 11 and 31-33 of the North American Industrial  
 6 Classification system as of 2002, of a product of tangible personal property takes  
 7 place.

8 (ff) "Used directly" means used in the actual process of manufacturing or  
 9 manufacturing for agricultural purposes.

10 (iii) No person shall be entitled to purchase, use, lease, or rent machinery or  
 11 equipment as defined herein without payment of the tax imposed by R.S. 47:302,  
 12 321, and 331 before receiving a certificate of exclusion from the secretary of the  
 13 Department of Revenue certifying that he is a manufacturer as defined herein.

14 (iv) The secretary of the Department of Revenue is hereby authorized to  
 15 adopt rules and regulations in order to administer the exclusion provided for in this  
 16 Subparagraph.

17 (j) For the purpose of the sales and use taxes imposed by the state ~~or any~~  
 18 ~~political subdivision whose boundaries are coterminous with those of the state~~ under  
 19 R.S. 47:302, 321, and 331, the "cost price" of electric power or energy, or natural gas  
 20 for the period beginning July 1, 2007 and thereafter, purchased or used by paper or  
 21 wood products manufacturing facilities shall not include any of such cost.

22 (k)(i) For purposes of the imposition of the sales and use tax levied by the  
 23 state ~~or any political subdivision whose boundaries are coterminous with those of the~~  
 24 ~~state~~ under R.S. 47:302, 321, and 331, the tax on the cost price of tangible property  
 25 consumed in the manufacturing process, such as fuses, belts, felts, wires, conveyor  
 26 belts, lubricants, and motor oils and the tax on the cost price of repairs and  
 27 maintenance of manufacturing machinery and equipment shall be reduced as follows:

28 (aa) For the period beginning July 1, 2010, and ending on June 30, 2011, the  
 29 state sales and use tax on the cost price shall be reduced by twenty-five percent.



1 (bb) For the period beginning July 1, 2011, and ending June 30, 2012, the  
 2 state sales and use tax on the cost price shall be reduced by fifty percent.

3 (cc) For the period beginning July 1, 2012, and ending June 30, 2013, the  
 4 state sales and use tax on the cost price shall be reduced by seventy-five percent.

5 (dd) For all periods beginning on and after July 1, 2013, the state sales and  
 6 use tax on the cost price shall be reduced by one hundred percent.

7 (ii) For purposes of this Subparagraph, "manufacturer" means a person  
 8 whose principal activity is manufacturing and who is assigned an industry group  
 9 designation by the United States Census of 3211 through 3222 or 113310 pursuant  
 10 to the North American Industry Classification System of 2007.

11 \* \* \*

12 (7)(a) "Lease or rental" means the leasing or renting of tangible personal  
 13 property and the possession or use thereof by the lessee or renter, for a consideration,  
 14 without transfer of the title of such property. For the purpose of the leasing or  
 15 renting of automobiles, "lease" means the leasing of automobiles and the possession  
 16 or use thereof by the lessee, for a consideration, without the transfer of the title of  
 17 such property for a one hundred eighty-day period or more. "Rental" means the  
 18 renting of automobiles and the possession or use thereof by the renter, for a  
 19 consideration, without the transfer of the title of such property for a period less than  
 20 one hundred eighty days.

21 (b) The Solely for purposes of the state sales and use taxes imposed under  
 22 R.S. 47:302, 321, and 331, the term "lease or rental"; ~~however,~~ as herein defined,  
 23 shall not mean or include the lease or rental made for the purposes of re-lease or re-  
 24 rental of casing tools and pipe, drill pipe, tubing, compressors, tanks, pumps, power  
 25 units, other drilling or related equipment used in connection with the operating,  
 26 drilling, completion, or reworking of oil, gas, sulphur, or other mineral wells.

27 (c) The term "lease or rental", as herein defined shall not mean or include a  
 28 lease or rental of property to be used in performance of a contract with the United  
 29 States Department of the Navy for construction or overhaul of U.S. Naval vessels.

1                   (d) The Solely for purposes of the state sales and use taxes imposed under  
 2                   R.S. 47:302, 321, and 331, the term "lease or rental", as herein defined, shall not  
 3                   mean the lease or rental of airplanes or airplane equipment by a commuter airline  
 4                   domiciled in Louisiana.

5                   (e) For purposes of state and political subdivision sales and use tax, the term  
 6                   "lease or rental", as herein defined, shall not mean the lease or rental of items,  
 7                   including but not limited to supplies and equipment, which are reasonably necessary  
 8                   for the operation of free hospitals.

9                   (f) For purposes of state and political subdivision sales and use tax, "lease  
 10                  or rental" shall not mean the lease or rental of educational materials or equipment  
 11                  used for classroom instruction by approved parochial and private elementary and  
 12                  secondary schools which comply with the court order from the Dodd Brumfield  
 13                  decision and Section 501(c)(3) of the Internal Revenue Code, limited to books,  
 14                  workbooks, computers, computer software, films, videos, and audio tapes.

15                  (g) For purposes of state and political subdivision sales and use tax, "lease  
 16                  or rental" shall not mean the lease or rental of tangible personal property to Boys  
 17                  State of Louisiana, Inc. and Girls State of Louisiana, Inc. which is used by such  
 18                  organizations for their educational and public service programs for youth.

19                  (h) For purposes of state and political subdivision sales and use tax, the term  
 20                  "lease or rental" shall not mean or include the lease or rental of motor vehicles by  
 21                  licensed motor vehicle dealers, as defined in ~~R.S. 32:1252(14)~~ R.S. 32:1252(35), or  
 22                  vehicle manufacturers, as defined in ~~R.S. 32:1252(11)~~ R.S. 32:1252(24), for their use  
 23                  in furnishing such leased or rented motor vehicles to their customers in performance  
 24                  of their obligations under warranty agreements associated with the purchase of a  
 25                  motor vehicle or when the applicable warranty has lapsed and the leased or rented  
 26                  motor vehicle is provided to the customer at no charge.

27                  (i) For purposes of sales and use taxes levied and imposed by local  
 28                  governmental subdivisions, school boards, and other political subdivisions whose  
 29                  boundaries are not coterminous with those of the state, "lease or rental" by a person

1 shall not mean or include the lease or rental of tangible personal property if such  
 2 lease or rental is made under the provisions of Medicare.

3 (j) Solely for purposes of the sales and use tax levied by the state ~~or any~~  
 4 ~~political subdivision whose boundaries are coterminous with those of the state~~ under  
 5 R.S. 47:302, 321, and 331, the term "lease or rental" shall not include the lease or  
 6 rental in this state of manufacturing machinery and equipment used or consumed in  
 7 this state to manufacture, produce, or extract unblended biodiesel.

8 (k)(i) For purposes of any sales, use, or lease tax levied by the state, <sup>2</sup> or any  
 9 political subdivision of the state, the term "lease or rental" shall not include the lease  
 10 or rental of a crane and related equipment with an operator.

11 (ii) Notwithstanding the provisions of Item (i) of this Subparagraph, cranes  
 12 leased or rented with an operator are subject to the provisions of the sales and use tax  
 13 law upon first use in Louisiana.

14 (l)(i) For purposes of the sales and use tax levied by ~~all tax authorities in this~~  
 15 ~~state~~ the state under R.S. 47:302, 321, and 331, and by any political subdivision, the  
 16 term "lease or rental" shall not apply to leases or rentals of pallets which are used in  
 17 packaging products produced by a manufacturer.

18 (ii) For purposes of this Subparagraph, the term "manufacturer" shall mean  
 19 a person whose primary activity is manufacturing and who is assigned by the  
 20 Louisiana Workforce Commission a North American Industrial Classification  
 21 System code within the manufacturing sectors 31-33 as they existed in 2002.

22 \* \* \*

23 (10)(a)(i) Solely for the purposes of the imposition of the state sales and use  
 24 tax, "retail sale" or "sale at retail" means a sale to a consumer or to any other person  
 25 for any purpose other than for resale as tangible personal property, or for the lease  
 26 of automobiles in an arm's length transaction, and shall mean and include all such  
 27 transactions as the secretary, upon investigation, finds to be in lieu of sales; provided  
 28 that sales for resale or for lease of automobiles in an arm's length transaction must  
 29 be made in strict compliance with the rules and regulations. Any dealer making a

1 sale for resale or for the lease of automobiles, which is not in strict compliance with  
2 the rules and regulations, shall himself be liable for and pay the tax.

3 (ii) Solely for purposes of the imposition of the sales and use tax levied by  
4 a political subdivision or school board, "retail sale" or "sale at retail" shall mean a  
5 sale to a consumer or to any other person for any purpose other than for resale in the  
6 form of tangible personal property, or resale of those services defined in Paragraph  
7 (14) of this Section provided the retail sale of the service is subject to sales tax in this  
8 state, and shall mean and include all such transactions as the collector, upon  
9 investigation, finds to be in lieu of sales; provided that sales for resale be made in  
10 strict compliance with the rules and regulations. Any dealer making a sale for resale,  
11 which is not in strict compliance with the rules and regulations shall himself be liable  
12 for and pay the tax. A local collector shall accept a resale certificate issued by the  
13 Department of Revenue, provided the taxpayer includes the parish of its principal  
14 place of business and local sales tax account number on the state certificate.  
15 However, in the case of an intra-parish transaction from dealer to dealer, the  
16 collector may require that the local exemption certificate be used in lieu of the state  
17 certificate. The department shall accommodate the inclusion of such information on  
18 its resale certificate for such purposes.

19 (iii) "Retail sale" or "sale at retail" for purposes of sales and use taxes  
20 imposed by the state on transactions involving the sale for rental of automobiles  
21 which take place on or after January 1, 1991, and by political subdivisions on such  
22 transactions on or after July 1, 1996, and state sales and use taxes imposed on  
23 transactions involving the lease or rental of tangible personal property other than  
24 automobiles which take place on or after July 1, 1991, means a sale to a consumer  
25 or to any other person for any purpose other than for resale as tangible personal  
26 property, or for lease or rental in an arm's length transaction in the form of tangible  
27 personal property, and shall mean and include all such transactions as the secretary,  
28 upon investigation, finds to be in lieu of sales; provided that sales for resale or for  
29 lease or rental in an arm's length transaction must be made in strict compliance with  
30 the rules and regulations. Any dealer making a sale for resale or for lease or rental,

1 which is not in strict compliance with the rules and regulations, shall himself be  
2 liable for and pay the tax. For purposes of the imposition of the tax imposed by any  
3 political subdivision of the state, for the period beginning on July 1, 1999, and  
4 ending on June 30, 2000, the term "retail sale" or "sale at retail" shall not include  
5 one-fourth of the sales price of any tangible personal property which is sold in order  
6 to be leased or rented in an arm's length transaction in the form of tangible personal  
7 property. For purposes of the imposition of the tax imposed by any political  
8 subdivision of the state, for the period beginning on July 1, 2000, and ending on June  
9 30, 2001, the term "retail sale" or "sale at retail" shall not include one-half of the  
10 sales price of any tangible personal property which is sold in order to be leased or  
11 rented in an arm's length transaction in the form of tangible personal property. For  
12 purposes of the imposition of the tax imposed by any political subdivision of the  
13 state, for the period beginning on July 1, 2001, and ending on June 30, 2002, the  
14 term "retail sale" or "sale at retail" shall not include three-fourths of the sales price  
15 of any tangible personal property which is sold in order to be leased or rented in an  
16 arm's length transaction in the form of tangible personal property. Beginning July  
17 1, 2002, for the purposes of imposition of the tax levied by any political subdivision  
18 of the state, the term "retail sale" or "sale at retail" shall not include the sale of any  
19 tangible personal property which is sold in order to be leased or rented in an arm's  
20 length transaction in the form of tangible personal property.

21 (iv) "Retail sale" or "sale at retail", for purposes of sales and use taxes  
22 imposed by the state on transactions involving the sale for rental of automobiles  
23 which take place prior to January 1, 1991, and by political subdivisions on such  
24 transactions prior to July 1, 1996, and imposed on transactions involving the lease  
25 or rental of tangible personal property other than autos which take place prior to July  
26 1, 1991, and for purposes of local sales and use taxes levied by political subdivisions  
27 except for transactions involving the sale for rental of automobiles on or after July  
28 1, 1996, means a sale to a consumer or to any other person for any purpose other  
29 than for resale in the form of tangible personal property, and shall mean and include  
30 all such transactions as the secretary, upon investigation, finds to be in lieu of sales;

1 provided that sales for resale must be made in strict compliance with the rules and  
2 regulations. Any dealer making a sale for resale, which is not in strict compliance  
3 with the rules and regulations, shall himself be liable for and pay the tax. However,  
4 contrary provisions of law notwithstanding, any political subdivision may, by  
5 ordinance, adopt the definition of "retail sale" or "sale at retail" provided in Item (iii)  
6 of this Subparagraph for purposes of the imposition of its sales and use tax.

7 (v) Became null and void on June 30, 2006. See Acts 2002, 1st Ex. Sess.,  
8 No. 3.

9 (vi) Solely for purposes of the payment of state sales and use tax, until  
10 January 1, 2007, the term "sale at retail" shall not include purchases made in  
11 connection with the filming or production of a motion picture by a motion picture  
12 production company which has been relieved from the payment of state sales and use  
13 tax under the provisions of Chapter 12 of Subtitle II of this Title, also known as the  
14 "Louisiana Motion Picture Incentive Act". This exclusion shall be retroactively  
15 revoked if it is determined that a motion picture production company that has been  
16 relieved from payment of state sales and use tax under Chapter 12 failed to meet the  
17 conditions of such relief.

18 (b)(i) Solely for purposes of the sales and use tax levied by the state, the sale  
19 of tangible personal property to a dealer who purchases said property for resale  
20 through coin-operated vending machines shall be considered a "sale at retail", subject  
21 to such tax. The subsequent resale of the property by the dealer through  
22 coin-operated vending machines shall not be considered a "sale at retail".

23 (ii) Solely for purposes of the sales and use tax levied by political  
24 subdivisions, the term "sale at retail" shall include the sale of tangible personal  
25 property by a dealer through coin-operated vending machines.

26 (c)(i)(aa) The term "sale at retail" does not include sale of materials for  
27 further processing into articles of tangible personal property for sale at retail.

28 (bb) Solely for purposes of the sales and use tax levied by the state, natural  
29 gas when used in the production of iron in the process known as the "direct reduced

1 iron process" is not a catalyst and is recognized by the legislature to be a material for  
2 further processing into an article of tangible personal property for sale at retail.

3 (ii)(aa) Solely for purposes of the sales and use tax levied by the state, the  
4 term "sale at retail" does not include sales of electricity for chlor-alkali  
5 manufacturing processes.

6 (bb) The term "sale at retail" does not include an isolated or occasional sale  
7 of tangible personal property by a person not engaged in such business.

8 (d) The term "sale at retail" does not include the sale of any human tissue  
9 transplants, which shall be defined to include all human organs, bone, skin, cornea,  
10 blood, or blood products transplanted from one individual into another recipient  
11 individual.

12 (e) The term "sale at retail" does not include the sale of raw agricultural  
13 commodities, including but not limited to feed, seed, and fertilizer, to be utilized in  
14 preparing, finishing, manufacturing, or producing crops or animals for market. The  
15 Department of Agriculture and Forestry may develop and promulgate guidelines to  
16 determine who meets this definition. Any person meeting such guidelines shall  
17 receive a certificate from the Department of Agriculture and Forestry indicating that  
18 such person is eligible to purchase such items without paying tax thereon.

19 (f) Notwithstanding any other law to the contrary, for purposes of the  
20 imposition of the sales and use tax of any political subdivision, the sale of a vehicle  
21 subject to the Vehicle Registration License Tax Law (R.S. 47:451 et seq.) shall be  
22 deemed to be a "retail sale" or a "sale at retail":

23 (i) In the political subdivision of the principal residence of the purchaser if  
24 the vehicle is purchased for private use, or

25 (ii) In the political subdivision of the principal location of the business if the  
26 vehicle is purchased for commercial use, unless the vehicle purchased for  
27 commercial use is assigned, garaged, and used outside of such political subdivision,  
28 in which case the sale shall be deemed a "retail sale" or a "sale at retail" in the  
29 political subdivision where the vehicle is assigned, garaged, and used.

1 (g) The term "retail sale" does not include a sale of corporeal movable  
2 property which is intended for future sale to the United States government or its  
3 agencies, when title to such property is transferred to the United States government  
4 or its agencies prior to the incorporation of that property into a final product.

5 (h) The term "sale at retail" does not include the sale of food items by youth  
6 serving organizations chartered by congress.

7 (i) The term "sale at retail" does not include the purchase of a new school  
8 bus or a used school bus which is less than five years old by an independent operator,  
9 when such bus is to be used exclusively in a public school system. This exclusion  
10 shall apply to all sales and use taxes levied by any local political subdivision.

11 (j) The term "sale at retail" does not include the sale of tangible personal  
12 property to food banks, as defined in R.S. 9:2799.

13 (k) The term "sale at retail" shall not include the sale of airplanes or airplane  
14 equipment or parts to a commuter airline domiciled in Louisiana.

15 (l) Solely for purposes of the state sales and use tax imposed under R.S.  
16 47:302, 321, and 331, the term "sale at retail" shall not include the sale of a pollution  
17 control device or system. Pollution control device or system shall mean any tangible  
18 personal property approved by the Department of Revenue and the Department of  
19 Environmental Quality and sold or leased and used or intended for the purpose of  
20 eliminating, preventing, treating, or reducing the volume or toxicity or potential  
21 hazards of industrial pollution of air, water, groundwater, noise, solid waste, or  
22 hazardous waste in the state of Louisiana. For the purposes of any sales and use tax  
23 levied by a political subdivision, the term "sale at retail" shall include the sale of a  
24 pollution control device or system. In order to qualify, the pollution control device  
25 or system must demonstrate either: a net decrease in the volume or toxicity or  
26 potential hazards of pollution as a result of the installation of the device or system;  
27 or that installation is necessary to comply with federal or state environmental laws  
28 or regulations.

29 (m) For purposes of sales and use taxes imposed or levied by the state or any  
30 political subdivision, the term "sale at retail" shall not include the sales of Louisiana-



1 manufactured or Louisiana-assembled passenger aircraft with a maximum capacity  
 2 of eight persons, if, after all transportation, including transportation by the purchaser,  
 3 has been completed, the aircraft is ultimately received by the purchaser outside of  
 4 Louisiana. The place at which the aircraft is ultimately received shall be considered  
 5 as the place at which the aircraft is stored after all transportation has been completed.

6 (n) ~~For purposes of sales and use taxes imposed or levied by the state or any~~  
 7 ~~political subdivision thereof~~ For purposes of the sales and use taxes imposed by the  
 8 state under R.S. 47:302, 321, and 331, and the sales and use taxes imposed by any  
 9 political subdivision, the term "sale at retail" shall not include the sales of pelletized  
 10 paper waste when purchased for use as combustible fuel by an electric utility or in  
 11 an industrial manufacturing, processing, compounding, reuse, or production process,  
 12 including the generation of electricity or process steam, at a fixed location in this  
 13 state. However, such sale shall not be excluded unless the purchaser has signed a  
 14 certificate stating that the fuel purchased is for the exclusive use designated herein.  
 15 For purposes of this Subparagraph, "pelletized paper waste" means pellets produced  
 16 from discarded waste paper that has been diverted or removed from solid waste  
 17 which is not marketable for recycling and which is wetted, extruded, shredded, or  
 18 formulated into compact pellets of various sizes for use as a supplemental fuel in a  
 19 permitted boiler.

20 (o) For the purposes of sales and use taxes imposed or levied by the state or  
 21 any local government subdivision or school board, the term "sale at retail" shall not  
 22 include the sale or purchase of equipment used in fire fighting by bona fide volunteer  
 23 and public fire departments.

24 (p) For purposes of state and political subdivision sales and use tax, the term  
 25 "sale at retail" shall not include the sale of items, including but not limited to  
 26 supplies and equipment, or the sale of services as provided in this Section, which are  
 27 reasonably necessary for the operation of free hospitals.

28 (q) For purposes of state and political subdivision sales and use tax, the term  
 29 "sale at retail" shall not include:

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

1 (i) The sale of tangible personal property by approved parochial and private  
2 elementary and secondary schools which comply with the court order from the Dodd  
3 Brumfield decision and Section 501(c)(3) of the Internal Revenue Code, or students,  
4 administrators, or teachers, or other employees of the school, if the money from such  
5 sales, less reasonable and necessary expenses associated with the sale, is used solely  
6 and exclusively to support the school or its program or curricula. This exclusion  
7 shall not be construed to allow tax-free sales to students or their families by  
8 promoters or regular commercial dealers through the use of schools, school faculty,  
9 or school facilities.

10 (ii) The sale to approved parochial and private elementary and secondary  
11 schools which comply with the court order from the Dodd Brumfield decision and  
12 Section 501(c)(3) of the Internal Revenue Code of educational materials or  
13 equipment used for classroom instruction limited to books, workbooks, computers,  
14 computer software, films, videos, and audio tapes.

15 (r) For purposes of state and political subdivision sales and use tax, the term  
16 "sale at retail" shall not include the sale of tangible personal property to Boys State  
17 of Louisiana, Inc. and Girls State of Louisiana, Inc. which is used by such  
18 organizations for their educational and public service programs for youth.

19 (s) The term "sale at retail" or "retail sale", for purposes of sales and use  
20 taxes imposed by the state or any political subdivision or other taxing entity, shall  
21 not include any charge, fee, money, or other consideration received, given, or paid  
22 for the performance of funeral directing services. For purposes of this Subparagraph,  
23 "funeral directing services" means the operation of a funeral home, or by way of  
24 illustration and not limitation, any service whatsoever connected with the  
25 management of funerals, or the supervision of hearses or funeral cars, the cleaning  
26 or dressing of dead human bodies for burial, and the performance or supervision of  
27 any service or act connected with the management of funerals from time of death  
28 until the body or bodies are delivered to the cemetery, crematorium, or other agent  
29 for the purpose of disposition. However, such services shall not mean or include the

1 sale, lease, rental, or use of any tangible personal property as those terms are defined  
 2 in this Section.

3 (t) ~~For purposes of sales and use taxes levied by the state or any political~~  
 4 ~~subdivision of the state~~ For purposes of the sales and use taxes imposed by the state  
 5 under R.S. 47:302, 321, and 331, and the sales and use taxes imposed by any  
 6 political subdivision, the term "sale at retail" shall not include the transfer of title to  
 7 or possession of telephone directories by an advertising company that is not affiliated  
 8 with a provider of telephone services if the telephone directories will be distributed  
 9 free of charge to the recipients of the telephone directories.

10 (u) For purposes of sales and use taxes levied and imposed by local  
 11 governmental subdivisions, school boards, and other political subdivisions whose  
 12 boundaries are not coterminous with those of the state, "sale at retail" by a person  
 13 shall not mean or include the sale of tangible personal property if such sale is made  
 14 under the provisions of Medicare.

15 (v) ~~For purposes of the imposition of sales and use taxes imposed or levied~~  
 16 ~~by all taxing authorities in the state~~ For purposes of the sales and use taxes imposed  
 17 by the state under R.S. 47:302, 321, and 331, and the sales and use taxes imposed by  
 18 any political subdivision, in the case of the sale or other disposition by a dealer of  
 19 any cellular, PCS, or wireless telephone, or any electronic accessories that are  
 20 physically connected with such telephones and personal communication devices used  
 21 in connection with the sale or use of mobile telecommunications services, the term  
 22 "retail sale" or "sale at retail" shall mean and include the sale or any other disposition  
 23 of such cellular, PCS, or wireless telephone, any electronic accessories that are  
 24 physically connected with such telephones and personal communication devices by  
 25 the dealer to the purchaser, but shall not mean or include the withdrawal, use,  
 26 distribution, consumption, storage, donation, or any other disposition of any such  
 27 cellular, PCS, or wireless telephone, any electronic accessories that are physically  
 28 connected with such telephones, and personal communication devices by the dealer.

29 (w) For purposes of the imposition of sales and use taxes imposed or levied  
 30 by any political subdivision of the state, in the case of the sale or other disposition

1 by a dealer of any cellular telephone, PCS telephone, wireless telephone, or other  
 2 wireless personal communication device that is used in connection with the sale or  
 3 use of mobile telecommunications services, or any electronic accessory that is  
 4 physically connected with any such telephone or personal communication device, the  
 5 term "retail sale" or "sale at retail" shall mean and include the sale or any other  
 6 disposition of any such telephone, other personal communication device, or  
 7 electronic accessory.

8 (x) For purposes of the sales and use tax imposed by the state or any political  
 9 subdivision whose boundaries are coterminous with those of the state, the terms  
 10 "retail sale" or "sale at retail" shall not include the following:

11 (i) The sale or purchase by a person of any fuel or gas, including but not  
 12 limited to butane and propane.

13 (ii) Beginning July 1, 2008, the sale or purchase by any person of butane and  
 14 propane.

15 (y)(i) Solely for the purposes of sales and use taxes levied by the state ~~or any~~  
 16 ~~political subdivision whose boundaries are coterminous with those of the state~~ under  
 17 R.S. 47:302, 321, and 331, the term "sale at retail" shall not include the sale of  
 18 manufacturing machinery and equipment used or consumed in this state to  
 19 manufacture, produce, or extract unblended biodiesel.

20 (ii) As used in this Subparagraph, the following words and phrases have the  
 21 meaning ascribed to them:

22 (aa) "Manufacturing machinery and equipment" means tangible property  
 23 used or consumed, or held for use or consumption, as an integral part of a biodiesel  
 24 manufacturing, production, or extraction facility, process, or item of equipment.  
 25 Property shall be considered to be an integral part of such biodiesel manufacturing,  
 26 production, or extraction facility, process, or item of equipment only if such property  
 27 is used or consumed directly in the manufacturing, production, or extraction process  
 28 or is part of, physically attached to, or otherwise directly associated with such  
 29 property. Property, the installation of which is reasonably necessary for the proper  
 30 installation, operation, maintenance of property which directly results in such

1 manufacturing, production, or extraction shall be considered as directly associated  
2 with such property.

3 (bb) "Unblended biodiesel" means a fuel comprised of mono-alkyl esters of  
4 long chain fatty acids derived from vegetable oils or animal fats, designated B100,  
5 and meeting the requirements of the definition provided for in D 6751 of the  
6 American Society of Testing and Materials (ATDM D 6751), before such fuel is  
7 blended with a petroleum-based diesel fuel.

8 ~~(z) Solely for the purposes of sales and use taxes levied by the state or any~~  
9 ~~political subdivision whose boundaries are coterminous with those of the, the term~~  
10 ~~"sale at retail" shall not include the sale of any alternative substance when such~~  
11 ~~alternative substance is used as a fuel by a manufacturer. "Alternative substance"~~  
12 ~~means any substance other than oil and natural gas and any product of oil and natural~~  
13 ~~gas. "Alternative substance" shall include petroleum coke, landfill gas, reclaimed~~  
14 ~~or waste oil, unblended biodiesel, or tire-derived fuel, but not coal, lignite, refinery~~  
15 ~~gas, nuclear fuel, or electricity. "Manufacturer" means a person whose principal~~  
16 ~~activity is manufacturing and who is assigned by the Louisiana Workforce~~  
17 ~~Commission a North American Industrial Classification System code with the~~  
18 ~~agricultural, forestry, fishing, and hunting Sector 11 or the manufacturing Sectors 31-~~  
19 ~~33 as they existed in 2002.~~

20 (aa)(i) For purposes of sales and use taxes imposed or levied by the state or  
21 any political subdivision of the state, the term "sale at retail" shall not include the  
22 sale of toys to a non-profit organization exempt from federal taxation pursuant to  
23 Section 501(c)(3) of the Internal Revenue Code if the sole purpose of the purchasing  
24 organization is to donate toys to minors and the toys are, in fact, donated.

25 (ii) The exclusion provided in this Subparagraph shall not apply if the  
26 donation is intended to ultimately yield a profit to a promoter of the organization or  
27 to any individual contracted to provide services or equipment, or both, to the  
28 organization.

29 (iii) A certificate of exclusion shall be obtained from the secretary or the tax  
30 collector of the political subdivision, under such regulations as he shall prescribe, in

1 order for nonprofit organizations to qualify for the exclusion provided for in this  
2 Subparagraph.

3 (bb) For purposes of sales and use taxes imposed or levied by the state under  
4 R.S. 47:302, 321, and 331, the terms "retail sale" and "sale at retail" shall not include  
5 sales of natural gas to be held, used, or consumed in providing natural gas storage  
6 services or operating natural gas storage facilities.

7 (cc) For purposes of the sales and use tax imposed by the state or any  
8 political subdivision of the state, the terms "retail sale" or "sale at retail" shall not  
9 mean or include the purchase of textbooks and course-related software by a private  
10 postsecondary academic degree-granting institution, accredited by a national or  
11 regional commission that is recognized by the United States Department of  
12 Education and is licensed by the Board of Regents, which institution has its main  
13 location within this state and offers only online instruction, when all of the following  
14 apply:

15 (i) The textbooks and course-related software are physically outside of this  
16 state when purchased from a vendor outside of this state and then imported into this  
17 state.

18 (ii) The first student use of the textbooks and course-related software occurs  
19 outside of this state.

20 (iii) The textbooks and course-related software are provided to the student  
21 free of charge.

22 (dd) For purposes of sales and use taxes imposed or levied by the state, the  
23 terms "retail sale" or "sale at retail" shall not include the purchase of food items for  
24 school lunch or breakfast programs by nonpublic elementary or secondary schools  
25 which participate in the National School Lunch and School Breakfast programs or  
26 the purchase of food items by nonprofit corporations which serve students in  
27 nonpublic elementary or secondary schools and which participate in the National  
28 School Lunch and School Breakfast programs.

1 (ee)(i) Solely for the purposes of the imposition of the state sales and use tax  
2 imposed under R.S. 47:302, 321, and 331, the term "retail sale" and "sale at retail"  
3 shall not include the sale of any storm shutter device.

4 (ii) As used in this Subparagraph, "storm shutter device" means materials  
5 and products manufactured, rated, and marketed specifically for the purpose of  
6 preventing window damage from storms.

7 (iii) The secretary of the Department of Revenue, in consultation with the  
8 Department of Insurance, shall promulgate such rules and regulations in accordance  
9 with the Administrative Procedure Act as may be necessary to carry out the  
10 provisions of this Subparagraph.

11 (ff) For purposes of sales taxes imposed by the state or any political  
12 subdivision of the state, the term "retail sale" or "sale at retail" shall not include sales  
13 of tangible personal property by the Military Department, state of Louisiana, which  
14 occur on an installation or other property owned or operated by the Military  
15 Department.

16 (gg) For purposes of sales and use tax imposed by the state under R.S.  
17 47:302, 321, and 331 or any political subdivision of the state, the term "sale at retail"  
18 shall not include the sale of anthropogenic carbon dioxide for use in a qualified  
19 tertiary recovery project approved by the assistant secretary of the office of  
20 conservation of the Department of Natural Resources pursuant to R.S. 47:633.4.

21 (hh) For purposes of sales and use tax imposed by the state, ~~any political~~  
22 ~~subdivision whose boundaries are coterminous with those of the state~~ under R.S.  
23 47:302, 321, and 331, or any other political subdivision, the term "sale at retail" shall  
24 not include the sale of tangible personal property at an event providing Louisiana  
25 heritage, culture, crafts, art, food, and music which is sponsored by a domestic  
26 nonprofit organization that is exempt from tax under Section 501(c)(3) of the  
27 Internal Revenue Code. The provisions of this Subparagraph shall apply only to an  
28 event which transpires over a minimum of seven but not more than twelve days and  
29 has a five-year annual average attendance of at least three hundred thousand over the  
30 duration of the event. For purposes of determining the five-year annual average

1 attendance, the calculation shall include the total annual attendance for each of the  
 2 five most recent years. The provisions of this Subparagraph shall apply only to sales  
 3 by the sponsor of the event.

4 \* \* \*

5 (13)(a) "Sales price" means the total amount for which tangible personal  
 6 property is sold, less the market value of any article traded in including any services,  
 7 except services for financing, that are a part of the sale valued in money, whether  
 8 paid in money or otherwise, and includes the cost of materials used, labor or service  
 9 costs, except costs for financing which shall not exceed the legal interest rate and a  
 10 service charge not to exceed six percent of the amount financed, and losses; provided  
 11 that cash discounts allowed and taken on sales shall not be included, nor shall the  
 12 sales price include the amount charged for labor or services rendered in installing,  
 13 applying, remodeling, or repairing property sold.

14 (b) The term "sales price" shall not include any amount designated as a cash  
 15 discount or a rebate by the vendor or manufacturer of any new vehicle subject to the  
 16 motor vehicle license tax. For purposes of this Paragraph "rebate" means any  
 17 amount offered by a vendor or manufacturer as a deduction from the listed retail  
 18 price of the vehicle.

19 (c) "Sales price" shall not include the first fifty thousand dollars of the sale  
 20 price of new farm equipment used in poultry production.

21 (d) Notwithstanding any other provision of law to the contrary, for purposes  
 22 of state and political subdivision sales and use tax, the "sales price" of refinery gas,  
 23 except for feedstock, not ultimately consumed as an energy source by the person who  
 24 owns the facility in which the refinery gas is created as provided for in Subparagraph  
 25 (18)(d) of this Section, but sold to another person, whether at retail or wholesale,  
 26 shall be fifty-two cents per thousand cubic feet multiplied by a fraction the  
 27 numerator of which shall be the posted price for a barrel of West Texas Intermediate  
 28 Crude Oil on December first of the preceding calendar year and the denominator of  
 29 which shall be twenty-nine dollars, and provided further that such sales price shall  
 30 be the maximum value placed upon refinery gas by the state and by any political



1 subdivision under any authority or grant of power to levy and collect sales or use  
 2 taxes, and such sale shall be taxable.

3 (e) The term "sales price", solely for purposes of the ~~sales tax imposed by~~  
 4 ~~the state~~ sales and use taxes imposed under R.S. 47:302, 321, and 331 and those of  
 5 its political subdivisions, shall exclude any amount that a manufacturer pays directly  
 6 to a dealer of the manufacturer's product for the purpose of reducing and that actually  
 7 results in an equivalent reduction in the retail "sales price" of that product. This  
 8 exclusion shall not apply to the value of the manufacturer's coupons that dealers  
 9 accept from purchasers as part payment of the "sales price" and that are redeemable  
 10 by the dealers through manufacturers or their agents. The value of such coupons is  
 11 deemed to be part of the "sales price" of the product purchased through the use of the  
 12 coupons.

13 (f) The term "sales price" shall exclude any charge, fee, money, or other  
 14 consideration received, given, or paid for the performance of funeral directing  
 15 services as defined in Subparagraph (10)(s) of this Section.

16 (g) ~~For~~ Solely for purposes of the imposition of ~~sales and use taxes imposed~~  
 17 ~~or levied by all~~ state sales and use taxes imposed under R.S. 47:302, 321, and 331  
 18 and those of all other taxing authorities in the state, in the case of the retail sale by  
 19 a dealer of any cellular, PCS, or wireless telephone, any electronic accessories that  
 20 are physically connected with such telephones and personal communications devices  
 21 used in connection with the sale or use of mobile telecommunications services, as  
 22 defined in R.S. 47:301(10)(v), the term "sales price" shall mean and include only the  
 23 amount of money, if any, actually received by the dealer from the purchaser for each  
 24 such cellular, PCS, or wireless telephone and any electronic accessories that are  
 25 physically connected with such telephones and personal communication devices, but  
 26 shall not include (i) any amount received by the dealer from the purchaser for  
 27 providing mobile telecommunications services, or (ii) any commissions, fees,  
 28 rebates, or other amounts received by the dealer from any source other than the  
 29 purchaser as a result of or in connection with the sale of the cellular, PCS, or wireless

1 telephone, any electronic accessories that are physically connected with such  
2 telephones and personal communication devices.

3 (h) For Solely for the purpose of ~~the imposition of sales and use tax imposed~~  
4 ~~or levied by all~~ state sales and use taxes imposed by the state under R.S. 47:302, 321,  
5 and 331 and those of all other taxing authorities in the state of any cellular, PCS, or  
6 wireless telephone used in connection with the sale or use of mobile  
7 telecommunications services, as defined in R.S. 47:301(10)(v), after January 1, 2002,  
8 the term "sales price" shall mean and include the greater of (i) the amount of money  
9 actually received by the dealer from the purchaser for each such telephone, or (ii)  
10 twenty-five percent of the cost of such telephone to the dealer, but shall not include  
11 any amount received by the dealer from the purchaser for providing mobile  
12 telecommunications services or any commissions, fees, rebates, or other amounts  
13 received by the dealer from any source other than the purchaser as a result of or in  
14 connection with the sale of the telephone.

15 (i)(i) For purposes of a publishing business which distributes its news  
16 publications at no cost to readers and pays unrelated third parties to print such news  
17 publications, the term "sales price" shall mean only the lesser of the following costs:

18 (aa) The printing cost paid to unrelated third parties to print such news  
19 publications, less any itemized freight charges for shipping the news publications  
20 from the printer to the publishing business and any itemized charges for paper and  
21 ink.

22 (bb) Payments to a dealer or distributor as consideration for distribution of  
23 the news publications.

24 (ii) The definition of "sales price" provided for in this Subparagraph shall be  
25 applicable to taxes levied by all tax authorities in the state.

26 (j) For the purpose of the imposition of sales and use tax imposed or levied  
27 by any political subdivision of the state, in the case of any retail sale or sale at retail,  
28 of any cellular telephone, PCS telephone, or wireless telephone used in connection  
29 with the sale or use of mobile telecommunications services, as defined in R.S.  
30 47:301(10)(w), or any electronic accessory that is physically connected with any

1 such telephone or personal communication device, the term "sales price" shall mean  
2 and include the greater of (i) the amount of money, if any, actually received by the  
3 dealer from the purchaser at the time of the retail sale or sale at retail by the dealer  
4 to the purchaser for each such telephone, personal communication device, or  
5 electronic accessory, or (ii) twenty-five percent of the cost of such telephone to the  
6 dealer, but shall not include any amount received by the dealer from the purchaser  
7 for providing mobile telecommunications services or any commissions, fees, rebates,  
8 activation charges, or other amounts received by the dealer from any source other  
9 than the purchaser as a result of or in connection with the sale of the telephone.

10 (k)(i) For purposes of the imposition of the sales tax levied by the state ~~and~~  
11 ~~any political subdivision whose boundaries are coterminous with those of the state,~~  
12 under R.S. 47:302, 321, and 331, the sales price of machinery and equipment  
13 purchased by a manufacturer for use in a plant facility predominately and directly in  
14 the actual manufacturing for agricultural purposes or the actual manufacturing  
15 process of an item of tangible personal property, which is for ultimate sale to another  
16 and not for internal use, at one or more fixed locations within Louisiana shall be  
17 reduced as follows:

18 (aa) For the period ending on June 30, 2005, the sales price shall be reduced  
19 by five percent.

20 (bb) For the period beginning July 1, 2005, and ending on June 30, 2006, the  
21 sales price shall be reduced by nineteen percent.

22 (cc) For the period beginning July 1, 2006, and ending on June 30, 2007, the  
23 sales price shall be reduced by thirty-five percent.

24 (dd) For the period beginning July 1, 2007, and ending on June 30, 2008, the  
25 sales price shall be reduced by fifty-four percent.

26 (ee) For the period beginning July 1, 2008, and ending on June 30, 2009, the  
27 sales price shall be reduced by sixty-eight percent.

28 (ff) For all periods beginning on or after July 1, 2009, the sales price shall  
29 be reduced by one hundred percent.

1 (ii) For purposes of this Subparagraph, "machinery and equipment",  
2 "manufacturer", "manufacturing", "manufacturing for agricultural purposes", "plant  
3 facility", and "used directly" shall have the same meaning as defined in R.S.  
4 47:301(3)(i)(ii).

5 (iii) No person shall be entitled to purchase, use, lease, or rent machinery or  
6 equipment as defined herein without payment of the tax imposed by R.S. 47:302,  
7 321, and 331 before receiving a certificate of exclusion from the secretary of the  
8 Department of Revenue certifying that he is a manufacturer as defined herein.

9 (iv) The secretary of the Department of Revenue is hereby authorized to  
10 adopt rules and regulations in order to administer the exclusion provided for in this  
11 Subparagraph.

12 (l)(i) ~~For~~ Solely for purposes of the payment of the state sales and use tax  
13 imposed under R.S. 47:302, 321, and 331 and the sales and use tax levied by any  
14 political subdivision, the term "sales price" shall not include the price of specialty  
15 items sold to members for fund-raising purposes by nonprofit carnival organizations  
16 domiciled within Louisiana and participating in a parade sponsored by a carnival  
17 organization.

18 (ii) The secretary of the Department of Revenue shall promulgate rules and  
19 regulations for purposes of this exclusion.

20 (iii) No nonprofit carnival organization domiciled within Louisiana and  
21 participating in a parade sponsored by a carnival organization shall claim exemption  
22 or exclusion from the state sales and use tax or the sales and use tax levied by any  
23 political subdivision before having obtained a certificate of authorization from the  
24 secretary of the Department of Revenue. The secretary shall develop applications  
25 for such certificates. The certificates shall be issued without charge to the entities  
26 which qualify.

27 (m) ~~For~~ Solely for purposes of the sales and use tax imposed by the state ~~or~~  
28 ~~any political subdivision whose boundaries are coterminous with those of the state~~  
29 under R.S. 47:302, 321, and 331, the "sales price" of electric power or energy, or

1 natural gas for the period beginning July 1, 2007, and thereafter, sold for use by  
2 paper or wood products manufacturing facilities shall not include any of such price.

3 (14) "Sales of services" means and includes the following:

4 (a) The furnishing of sleeping rooms, cottages or cabins by hotels.

5 (b)(i) The sale of admissions to places of amusement, to athletic  
6 entertainment other than that of schools, colleges, and universities, and recreational  
7 events, and the furnishing, for dues, fees, or other consideration of the privilege of  
8 access to clubs or the privilege of having access to or the use of amusement,  
9 entertainment, athletic, or recreational facilities; but the term "sales of services" shall  
10 not include membership fees or dues of nonprofit, civic organizations, including by  
11 way of illustration and not of limitation the Young Men's Christian Association, the  
12 Catholic Youth Organization, and the Young Women's Christian Association.

13 (ii) Places of amusement shall not include "museums", which are hereby  
14 defined as public or private nonprofit institutions which are organized on a  
15 permanent basis for essentially educational or aesthetic purposes and which use  
16 professional staff to do all of the following:

17 (aa) Own or use tangible objects, whether animate or inanimate.

18 (bb) Care for those objects.

19 (cc) Exhibit them to the public on a regular basis.

20 (iii) Museums include but are not limited to the following institutions:

21 (aa) Museums relating to art, history, including historic buildings, natural  
22 history, science, and technology.

23 (bb) Aquariums and zoological parks.

24 (cc) Botanical gardens and arboretums.

25 (dd) Nature centers.

26 (ee) Planetariums.

27 (iv) For purposes of the sales and use taxes of all tax authorities in the state,  
28 the term "places of amusement" as used herein shall not include camp and retreat  
29 facilities owned and operated by nonprofit organizations exempt from federal income  
30 tax under Section 501(a) of the Internal Revenue Code as an organization described

1 in Section 501(c)(3) of the Internal Revenue Code provided that the net revenue  
2 derived from the organization's property is devoted wholly to the nonprofit  
3 organization's purposes.

4 (c) The furnishing of storage or parking privileges by auto hotels and parking  
5 lots.

6 (d) The furnishing of printing or overprinting, lithographic, multilith, blue  
7 printing, photostating or other similar services of reproducing written or graphic  
8 matter.

9 (e) The furnishing of laundry, cleaning, pressing and dyeing services,  
10 including by way of extension and not of limitation, the cleaning and renovation of  
11 clothing, furs, furniture, carpets and rugs, and the furnishing of storage space for  
12 clothing, furs, and rugs. The service shall be taxable at the location where the  
13 laundered, cleaned, pressed, or dyed article is returned to the customer.

14 (f) The furnishing of cold storage space, except that space which is furnished  
15 pursuant to a bailment arrangement, and the furnishing of the service of preparing  
16 tangible personal property for cold storage where such service is incidental to the  
17 operation of storage facilities.

18 (g)(i)(aa) The furnishing of repairs to tangible personal property, including  
19 but not restricted to the repair and servicing of automobiles and other vehicles,  
20 electrical and mechanical appliances and equipment, watches, jewelry, refrigerators,  
21 radios, shoes, and office appliances and equipment.

22 (bb)(I) For purposes of the sales and use tax levied by the state and by tax  
23 authorities in East Feliciana Parish, charges for the furnishing of repairs to tangible  
24 personal property shall be excluded from sales of services, as defined in this  
25 Subparagraph, when the repaired property is (1) delivered to a common carrier or to  
26 the United States ~~Post Office~~ Postal Service for transportation outside the state, or  
27 (2) delivered outside the state by use of the repair dealer's own vehicle or by use of  
28 an independent trucker. However, as to aircraft, delivery may be by the best  
29 available means. This exclusion shall not apply to sales and use taxes levied by any  
30 other parish, municipality or school board. However, any other parish, municipality

1 or school board may apply the exclusion as defined in this Subparagraph to sales or  
2 use taxes levied by any such parish, municipality, or school board. Offshore areas  
3 shall not be considered another state for the purpose of this Subparagraph.

4 (II) For purposes of the sales and use tax levied by the tax authorities in  
5 Calcasieu Parish, charges for the furnishing of repairs to aircraft shall be excluded  
6 from sales of services, as defined in this Subparagraph, provided that the repairs are  
7 performed at an airport with a runway that is at least ten thousand feet long, one  
8 hundred sixty feet wide, and fourteen inches thick.

9 (ii) For the purposes of this Subparagraph, tangible personal property shall  
10 include machinery, appliances, and equipment which have been declared immovable  
11 by declaration under the provisions of Article 467 of the Louisiana Civil Code, and  
12 things which have been separated from land, buildings, or other constructions  
13 permanently attached to the ground or their component parts as defined in Article  
14 466 of the Civil Code.

15 (iii)(aa) For purposes of the sales and use taxes imposed by the state or any  
16 of its political subdivisions, sale of services shall not include the labor, or sale of  
17 materials, services, and supplies, used for the repairing, renovating, or converting of  
18 any drilling rig, or machinery and equipment which are component parts thereof,  
19 which is used exclusively for the exploration or development of minerals outside the  
20 territorial limits of the state in Outer Continental Shelf waters.

21 (bb) For the purposes of this Subitem, "drilling rig" means any unit or  
22 structure, along with its component parts, which is used primarily for drilling,  
23 workover, intervention or remediation of wells used for exploration or development  
24 of minerals and "component parts" means any machinery or equipment necessary for  
25 a drilling rig to perform its exclusive function of exploration or development of  
26 minerals.

27 (h) The term "sale of service" shall not include an action performed pursuant  
28 to a contract with the United States Department of the Navy for construction or  
29 overhaul of U.S. Naval vessels.

1 (i) Solely for purposes of the sales and use tax levied by the state, the  
 2 furnishing of telecommunications services for compensation, in accordance with the  
 3 provisions of R.S. 47:301.1. Local political subdivisions are prohibited from levying  
 4 a sales and use tax on telecommunications services not in effect on July 1, 1990,  
 5 provided, however, that the provisions of this Subparagraph shall not be construed  
 6 to prohibit the levy or collection of any franchise, excise, gross receipts, or similar  
 7 tax or assessment by any political subdivision of the state as defined in Article VI,  
 8 Section 44(2) of the Constitution of Louisiana.

9 (j) Notwithstanding any provision of law to the contrary, for purposes of  
 10 sales or use taxation by the state or any local political subdivision, the term "sales of  
 11 services" shall not mean or include any funeral directing services as defined in  
 12 Subparagraph (10)(s) of this Section. Subject to approval by the House Committee  
 13 on Ways and Means and the Senate Committee on Revenue and Fiscal Affairs, the  
 14 state Department of Revenue shall devise a formula for the calculation of the tax.

15 (k) ~~For~~ Solely for purposes of sales and use tax imposed by the state under  
 16 R.S. 47:302, 321, and 331, any political subdivision whose boundaries are  
 17 coterminous with those of the state, or any other political subdivision, the term "sales  
 18 of services" shall not mean or include admission charges for, outside gate admissions  
 19 to, or parking fees associated with an event providing Louisiana heritage, culture,  
 20 crafts, art, food, and music which is sponsored by a domestic nonprofit organization  
 21 that is exempt from tax under Section 501(c)(3) of the Internal Revenue Code. The  
 22 provisions of this Subparagraph shall apply only to an event which transpires over  
 23 a minimum of seven but not more than twelve days and has a five-year annual  
 24 average attendance of at least three hundred thousand over the duration of the event.  
 25 For purposes of determining the five-year annual average attendance, the calculation  
 26 shall include the total annual attendance for each of the five most recent years. The  
 27 provisions of this Subparagraph shall apply only to admission charges for, outside  
 28 gate admissions to, or parking fees associated with an event when the charges and  
 29 fees are payable to or for the benefit of the sponsor of the event.

30 \* \* \*



1                   (16)(a) "Tangible personal property" means and includes personal property  
 2                   which may be seen, weighed, measured, felt or touched, or is in any other manner  
 3                   perceptible to the senses.

4                   (b) The term "tangible personal property" shall not include:

5                   (i) Stocks, bonds, notes, or other obligations or securities.

6                   (ii) ~~Gold;~~ Solely for purposes of sales and use taxes imposed by the state  
 7                   under R.S. 47:302, 321, and 331, gold, silver, or numismatic coins, or platinum,  
 8                   gold, or silver bullion.

9                   (iii) Proprietary geophysical survey information or geophysical data analysis  
 10                  furnished under a restricted use agreement even though transferred in the form of  
 11                  tangible personal property.

12                  (c) The term "tangible personal property" shall not include the repair of a  
 13                  vehicle by a licensed motor vehicle dealer which is performed subsequent to the  
 14                  lapse of the applicable warranty on that vehicle and at no charge to the owner of the  
 15                  vehicle. For the purpose of assessing a sales and use tax on this transaction, no  
 16                  valuation shall be assigned to the services performed or the parts used in the repair.

17                  (d)(i) Notwithstanding any provision of law to the contrary and solely for  
 18                  purposes of state sales and use tax, any sale of a prepaid calling service or prepaid  
 19                  wireless calling service, or both, shall be deemed to be the sale of tangible personal  
 20                  property.

21                  (ii) Prepaid calling services and prepaid wireless calling services shall be  
 22                  subject to the tax imposed by this Chapter if the sale takes place in this state. If the  
 23                  customer physically purchases a prepaid calling service or prepaid wireless calling  
 24                  service at the vendor's place of business, the sale is deemed to take place at the  
 25                  vendor's place of business. If the customer does not physically purchase the service  
 26                  at the vendor's place of business, the sale of a prepaid calling service or prepaid  
 27                  wireless calling service is deemed to take place at the first of the following locations  
 28                  that applies to the sale:

29                  (aa) The customer's shipping address, if the sale involves a shipment.

30                  (bb) The customer's billing address.

1 (cc) Any other address of the customer that is known by the vendor.

2 (dd) The address of the vendor or, alternatively in the case of a prepaid  
3 wireless calling service, the location associated with the mobile telephone number.

4 (e) The term "tangible personal property" shall not include work products  
5 which are written on paper, stored on magnetic or optical media, or transmitted by  
6 electronic device, when such work products are created in the normal course of  
7 business by any person licensed or regulated by the provisions of Title 37 of the  
8 Louisiana Revised Statutes of 1950, unless such work products are duplicated  
9 without modification for sale to multiple purchasers. This exclusion shall not apply  
10 to work products which consist of the creation, modification, updating, or licensing  
11 of computer software.

12 (f) The term "tangible personal property" shall not include pharmaceuticals  
13 administered to livestock used for agricultural purposes, except as otherwise  
14 provided in this Subparagraph. Only pharmaceuticals not included in the term  
15 "tangible personal property" shall be registered with the Louisiana Department of  
16 Agriculture and Forestry. Legend drugs administered to livestock used for  
17 agricultural purposes are not required to be registered, but such legend drugs that are  
18 not registered shall be "tangible personal property".

19 (g)(i) Notwithstanding the provisions of R.S. 9:1149.1 et seq., except as  
20 otherwise provided in this Subparagraph, the term "tangible personal property" shall  
21 not include factory built homes.

22 (ii) For purposes of this Subparagraph, "factory built home" means a  
23 residential structure which is built in a factory in one or more sections and has a  
24 chassis or integrated wheel delivery system, which is either:

25 (aa) A structure built to federal construction standards as defined in Section  
26 5402 of Title 42 of the United States Code.

27 (bb) A residential structure built to the Louisiana State Uniform Construction  
28 Code.

1                   (cc) A manufactured home, modular home, mobile home, or residential  
2 mobile home with or without a permanent foundation, which includes plumbing,  
3 heating, and electrical systems.

4                   (iii) "Factory built home" shall not include any self-propelled recreational  
5 vehicle or travel trailer.

6                   (iv) The term "tangible personal property" as applied to sales and use taxes  
7 levied by the state or any other taxing authority in the state shall include a new  
8 factory built home, for the initial sale from a dealer to a consumer, but only to the  
9 extent that forty-six percent of the retail sales price shall be so considered as  
10 "tangible personal property". Thereafter, each subsequent resale of a factory built  
11 home shall not be considered as "tangible personal property".

12                   (v) The sales and use taxes due on these transactions shall be paid to the  
13 Louisiana Department of Public Safety and Corrections, office of motor vehicles, by  
14 the twentieth day of the month following the month of delivery of the factory built  
15 home to the consumer, along with any other information requested by the office of  
16 motor vehicles.

17                   (h)(i) Solely for purposes of the imposition of the sales and use tax levied by  
18 the state or any political subdivision whose boundaries are coterminous with those  
19 of the state, for the period beginning July 1, 2002, and ending on June 30, 2003, the  
20 term "tangible personal property" shall not include one-quarter of the cost price of  
21 custom computer software.

22                   (ii) Solely for purposes of the imposition of the sales and use tax levied by  
23 the state or any political subdivision whose boundaries are coterminous with those  
24 of the state, for the period beginning July 1, 2003, and ending on June 30, 2004, the  
25 term "tangible personal property" shall not include one-half of the cost price of  
26 custom computer software.

27                   (iii) Solely for purposes of the imposition of the sales and use tax levied by  
28 the state or any political subdivision whose boundaries are coterminous with those  
29 of the state, for the period beginning July 1, 2004, and ending on June 30, 2005, the

1 term "tangible personal property" shall not include three-quarters of the cost price  
 2 of custom computer software.

3 (iv) Solely for purposes of the imposition of the sales and use tax levied by  
 4 the state under R.S. 47:302, 321, and 331 or any political subdivision whose  
 5 boundaries are coterminous with those of the state, for all taxable periods beginning  
 6 on or after July 1, 2005, the term "tangible personal property" shall not include  
 7 custom computer software.

8 (i) Solely for purposes of the imposition of the state sales and use tax  
 9 imposed under R.S. 47:302, 321, and 331, the term "tangible personal property" shall  
 10 not include digital television conversion equipment and digital radio conversion  
 11 equipment as defined in this Section.

- 12 (i) "Digital television conversion equipment" shall include the following:
- 13 (aa) DTV transmitter and RF system.
  - 14 (bb) Transmission line.
  - 15 (cc) DTV antenna.
  - 16 (dd) Tower.
  - 17 (ee) Existing tower structural upgrade.
  - 18 (ff) Advanced TV receiver (STL receiver).
  - 19 (gg) Decoder (digital to analog converter for NTSC).
  - 20 (hh) DTV transmission system test and monitoring.
  - 21 (ii) Digital video/audio master control switcher.
  - 22 (jj) Analog to digital conversion.
  - 23 (kk) High definition up-converters.
  - 24 (ll) High definition bypass switcher.
  - 25 (mm) Down converters for standard definition.
  - 26 (nn) Advanced TV transmitter (STL transmitter).
  - 27 (oo) Advanced TV signal encoder.
  - 28 (pp) DTV transmission monitoring.
  - 29 (qq) High definition digital video switcher and DVE.
  - 30 (rr) High definition studio cameras.

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

- 1 (ss) High definition graphics/graphic generator.
- 2 (tt) High definition video monitoring.
- 3 (uu) Conversion gear.
- 4 (vv) High definition recorder/players, including tape, disk, etc.
- 5 (ww) High definition video/audio signal router.
- 6 (xx) High definition video/audio media server.
- 7 (yy) MPEG or HDTV digital receivers for program content.
- 8 (zz) High definition recorder/players, including tape, disk, etc.
- 9 (aaa) High definition video/audio media server and workstations.
- 10 (bbb) Digital EAS encoder/decoder.
- 11 (ccc) High definition camcorder, including tape, disk, etc.
- 12 (ddd) Advanced TV transmitters, including microwave.
- 13 (ii) "Digital radio conversion equipment" shall include the following:
- 14 (aa) IBOC transmitter.
- 15 (bb) IBOC main channel and IBOC combiner.
- 16 (cc) IBOC compatible antenna.
- 17 (dd) Tower.
- 18 (ee) IBOC coaxial bypass switcher.
- 19 (ff) Digital STL.
- 20 (gg) STL heliax transmission line.
- 21 (hh) STL antenna.
- 22 (ii) Digital console.
- 23 (jj) EAS insertion.
- 24 (kk) AES EBU conversion equipment.
- 25 (ll) IBOL transmission testing and monitoring equipment.
- 26 (mm) Digital processor.
- 27 (iii) The exclusion from state sales and use tax authorized by this
- 28 Subparagraph shall ~~only apply~~ apply only to the first purchase of each enumerated
- 29 item by an individual taxpayer who holds a Federal Communications Commission
- 30 license issued pursuant to 47 CFR Part 73. Individual taxpayers operating under

1 several broadcaster licenses shall be allowed one purchase of each enumerated item  
2 per license. Each subsequent purchase of any of the enumerated items by the same  
3 taxpayer or license holder shall be subject to sales and use tax.

4 (iv) Repealed by Acts 2005, No. 243, §1, eff. June 29, 2005.

5 (v) Any eligible taxpayer who has purchased any item enumerated in Item  
6 (i) or (ii) of this Subparagraph subsequent to January 1, 1999, but prior to the  
7 effective date of this Act, shall be entitled to a credit against the state sales and use  
8 tax due in any year for an amount equal to state sales and use tax paid on the  
9 purchase of the item.

10 (vi) Local taxing authorities are hereby authorized to provide an exemption  
11 from any local sales and use tax liability to any taxpayers holding a Federal  
12 Communications Commission license issued pursuant to 47 CFR Part 73 which has  
13 purchased any of the equipment listed in Item (i) or (ii) of this Subparagraph. Local  
14 taxing authorities are further authorized to provide a credit against any tax liability  
15 for the amount of local sales tax paid by taxpayers holding Federal Communications  
16 Commission licenses issued pursuant to 47 CFR Part 73 on any equipment listed in  
17 Item (i) or (ii) of the Subparagraph purchased subsequent to January 1, 1999, but  
18 prior to June 25, 2002.

19 (vii) No exclusion from state sales and use tax as authorized in this  
20 Subsection shall be allowed after the Federal Communications Commission has  
21 issued an order mandating license holders, issued pursuant to 47 CFR Part 73, to  
22 discontinue broadcasting their analog signal.

23 (viii) The Department of Revenue shall adopt rules and regulations necessary  
24 for the implementation of this Act no later than August 1, 2002.

25 (j) The term "tangible personal property", for purposes of the payment of  
26 sales and use taxes levied by all tax authorities in the state, shall not include  
27 materials used directly in the collection, separation, treatment, testing, and storage  
28 of blood by nonprofit blood banks and nonprofit blood collection centers.

29 (k) The term "tangible personal property" for purposes of the sales and use  
30 taxes imposed by all tax authorities in this state shall not include apheresis kits and

1 leuko reduction filters used by nonprofit blood banks and nonprofit blood collection  
2 centers.

3 (l) For purposes of the sales and use tax imposed by the state of Louisiana,  
4 by a political subdivision whose boundaries are coterminous with those of the state,  
5 or by all political subdivisions of the state and without regard to the nature of the  
6 ownership of the ground, tangible personal property shall not include other  
7 constructions permanently attached to the ground which shall be treated as  
8 immovable property.

9 (m)(i) Notwithstanding any other provision of law to the contrary, solely for  
10 purposes of the sales and use tax levied by the state ~~or any political subdivision~~  
11 ~~whose boundaries are coterminous with those of the state~~ under R.S. 47:302, 321,  
12 and 331, the term "tangible personal property" shall not include machinery and  
13 equipment used by a motor vehicle manufacturer with a North American Industry  
14 Classification System (NAICS) Code beginning with 3361, or by a glass container  
15 manufacturer with a NAICS Code of 327213. This exclusion shall be subject to the  
16 definitions and requirements of Item (3)(i)(ii) of this Section.

17 (ii) A political subdivision may provide for a sales and use tax exemption for  
18 the sales, cost, or lease or rental price of manufacturing machinery and equipment  
19 as provided for in this Section, either effective upon adoption or enactment or phased  
20 in over a period of time, or effective for a certain period of time or duration, all as  
21 set forth in the instrument, resolution, vote, or other affirmative action providing the  
22 exemption.

23 (iii) Notwithstanding any other provision of this Section, tooling in a  
24 compression mold process shall be considered manufacturing machinery and  
25 equipment for purposes of this Section.

26 (n)(i) For purposes of the imposition of the sales and use tax levied by the  
27 state, the term "tangible personal property" shall not include machinery and  
28 equipment purchased by the owner of a radio station located within the state that is  
29 licensed by the Federal Communications Commission for radio broadcasting, if the  
30 owner is either of the following:

1 (aa) An individual domiciled in the state who owns a business with  
2 substantially all of its assets located in the state and substantially all of its payroll  
3 paid in the state.

4 (bb) A business entity with substantially all of its assets located in the state  
5 and substantially all of its payroll paid in the state; provided that the business entity  
6 is not owned or controlled or is otherwise an affiliate of a multi-state business entity  
7 and is not owned or controlled by an individual who is not domiciled in the state.

8 (ii) "Radio broadcasting" means the sound transmission made via  
9 electromagnetic waves for direct sound reception by the general public.

10 (o)(i) ~~For~~ Solely for purposes of the imposition of the sales and use tax  
11 levied by the state ~~and any political subdivision whose boundaries are coterminous~~  
12 ~~with those of the state~~ under R.S. 47:302, 321, and 331, the term "tangible personal  
13 property" shall not include machinery and equipment as defined in and subject to the  
14 requirements of R.S. 47:301(3)(i)(ii) which is purchased by a utility regulated by the  
15 Public Service Commission or the council of the City of New Orleans. For the  
16 purposes of this Paragraph, the term "utility" shall mean a person regulated by the  
17 Public Service Commission or the council of the City of New Orleans who is  
18 assigned a North American Industrial Classification System Code 22111, Electric  
19 Power Generation, as it existed in 2002. Such utility shall also be considered a  
20 "manufacturer" for purposes of R.S. 47:301(3)(i)(ii).

21 (ii) For purposes of this Subparagraph, a political subdivision whose  
22 boundaries are not coterminous with those of the state may provide for a sales and  
23 use tax exclusion for machinery and equipment as defined in and subject to the  
24 requirements of R.S. 47:301(3)(i)(ii) which is purchased by a utility regulated by the  
25 Public Service Commission or the council of the city of New Orleans.

26 (p) ~~For~~ Solely for purposes of sales and use taxes imposed by the state under  
27 R.S. 47:302, 321, and 331 or any of its political subdivisions, the term "tangible  
28 personal property" shall not include newspapers.

29 (q) For purposes of sales and use taxes imposed by the state, any statewide  
30 taxing authority, or any political subdivision, the term "tangible personal property"



1 shall not include any property that would have been considered immovable property  
2 prior to the enactment on July 1, 2008, of Act No. 632 of the 2008 Regular Session  
3 of the Legislature.

4 \* \* \*

5 (18)(a)(i) Solely for purposes of the imposition of the state sales and use tax,  
6 "use" means and includes the exercise of any right or power over tangible personal  
7 property incident to the ownership thereof, except that it shall not include the sale at  
8 retail of that property in the regular course of business or the donation to a school in  
9 the state which meets the definition provided in R.S. 17:236 or to a public or  
10 recognized independent institution of higher education in the state of property  
11 previously purchased for resale in the regular course of a business. The term "use"  
12 shall not include the purchase, the importation, the consumption, the distribution, or  
13 the storage of automobiles to be leased in an arm's length transaction, nor shall the  
14 term "use" include the donation of food items to a food bank as defined in R.S.  
15 9:2799(B).

16 (ii) For purposes of the imposition of the sales and use tax levied by a  
17 political subdivision or school board, "use" shall mean and include the exercise of  
18 any right or power over tangible personal property incident to the ownership thereof,  
19 except that it shall not include the sale at retail of that property in the regular course  
20 of business or the donation to a school in the state which meets the definition  
21 provided in R.S. 17:236 or to a public or recognized independent institution of higher  
22 education in the state of property previously purchased for resale in the regular  
23 course of a business. The term "use" shall not include the donation of food items to  
24 a food bank as defined in R.S. 9:2799(B).

25 (iii) The term "use", for purposes of sales and use taxes imposed by the state  
26 on the use for rental of automobiles which take place on or after January 1, 1991, and  
27 by political subdivisions on such use on or after July 1, 1996, and state sales and use  
28 taxes imposed on the use for lease or rental of tangible personal property other than  
29 automobiles which take place on or after July 1, 1991, shall not include the purchase,  
30 the importation, the consumption, the distribution, or the storage of tangible personal

1 property to be leased or rented in an arm's length transaction as tangible personal  
2 property. For purposes of the imposition of the tax levied by any political  
3 subdivision of the state, for the period beginning July 1, 1999, and ending on June  
4 30, 2000, the term "use" shall not include one-fourth of the cost price of any tangible  
5 personal property which is purchased, imported, consumed, distributed, or stored and  
6 which is to be leased or rented in an arm's length transaction in the form of tangible  
7 personal property. For purposes of the imposition of the tax levied by any political  
8 subdivision of the state, for the period beginning July 1, 2000, and ending on June  
9 30, 2001, the term "use" shall not include one-half of the cost price of any tangible  
10 personal property which is purchased, imported, consumed, distributed, or stored and  
11 which is to be leased or rented in an arm's length transaction in the form of tangible  
12 personal property. For purposes of the imposition of the tax levied by any political  
13 subdivision of the state, for the period beginning July 1, 2001, and ending on June  
14 30, 2002, the term "use" shall not include three-fourths of the cost price of any  
15 tangible personal property which is purchased, imported, consumed, distributed, or  
16 stored and which is to be leased or rented in an arm's length transaction in the form  
17 of tangible personal property. Beginning July 1, 2002, for purposes of the imposition  
18 of the tax levied by any political subdivision of the state, the term "use" shall not  
19 include the purchase, the importation, the consumption, the distribution, or the  
20 storage of any tangible personal property which is to be leased or rented in an arm's  
21 length transaction in the form of tangible personal property.

22 (iv) The term "use", for purposes of sales and use taxes imposed by the state  
23 on the use for rental automobiles which take place prior to January 1, 1991, and by  
24 political subdivisions on such use prior to July 1, 1996, and imposed on the use for  
25 lease or rental of tangible personal property other than automobiles which take place  
26 prior to July 1, 1991, and for purposes of local sales and use taxes levied by political  
27 subdivisions, except for any use for rental automobiles on or after July 1, 1996, shall  
28 include the purchase, the importation, the consumption, the distribution, or the  
29 storage of tangible personal property to be leased or rented in an arm's length  
30 transaction as tangible personal property.

1 (b) Notwithstanding any other law to the contrary, for purposes of the  
2 imposition of the sales and use tax of any political subdivision, the use of a vehicle  
3 subject to the Vehicle Registration License Tax Law (R.S. 47:451 et seq.) shall be  
4 deemed to be a "use":

5 (i) In the political subdivision of the principal residence of the purchaser if  
6 the vehicle is purchased for private use, or

7 (ii) In the political subdivision of the principal location of the business if the  
8 vehicle is purchased for commercial use, unless the vehicle purchased for  
9 commercial use is assigned, garaged, and used outside of such political subdivision,  
10 in which case the use shall be deemed a use in the political subdivision where the  
11 vehicle is assigned, garaged, and used.

12 (c) For purposes of state and political subdivision sales and use tax, "use"  
13 shall not include the exercise of any right or power by a free hospital over items,  
14 including but not limited to supplies and equipment, which are reasonably necessary  
15 for the operation of the free hospital.

16 (d)(i) Notwithstanding any other provision of law to the contrary, and except  
17 as provided in Item (iii) of this Subparagraph, for purposes of state and political  
18 subdivision sales and use tax, "use" means and includes the exercise of any right or  
19 power over tangible personal property incident to the ownership thereof, except that  
20 it shall not include the further processing of tangible personal property into articles  
21 of tangible personal property for sale.

22 (ii) Except as provided in Item (iii) of this Subparagraph for refinery gas,  
23 solely for purposes of state sales and use taxes imposed under R.S. 47:302, 321, and  
24 331 and political subdivision use tax, "use" shall not include the storage,  
25 consumption, or the exercise of any other right of ownership over tangible personal  
26 property which is created or derived as a residue or byproduct of such processing.  
27 Such residue or byproduct shall include but shall not be limited to catalyst cracker  
28 coke derived from crude oil, wood chips, bark, and liquor derived from the  
29 processing of sawlogs or pulpwood timber, or bagasse derived from sugarcane.

1 (iii) Notwithstanding any other provision of law to the contrary, and  
2 notwithstanding the provisions of this Subparagraph, "use" shall include the exercise  
3 of any right of ownership over the consumption, the distribution, and the storage for  
4 use or consumption in this state of refinery gas, except the sale to another person,  
5 whether at retail or wholesale, only if the refinery gas is ultimately consumed as an  
6 energy source by the person who owns the facility in which it is created and is not  
7 sold. Notwithstanding any other law to the contrary, the use of refinery gas shall be  
8 taxed at the cost price value provided in Subparagraph (3)(f) of this Section. If  
9 refinery gas, except for feedstock, is sold to another person, whether at retail, or  
10 wholesale, such sale shall be taxable and the sales price value shall be as provided  
11 for in Subparagraph (13)(d) of this Section. The provisions of this Item shall not  
12 apply to feedstocks.

13 (e) For purposes of state and political subdivision sales and use tax, "use"  
14 shall not include the purchase of or the exercise of any right or power over:

15 (i) Tangible personal property sold by approved parochial and private  
16 elementary and secondary schools which comply with the court order from the Dodd  
17 Brumfield decision and Section 501(c)(3) of the Internal Revenue Code, or students,  
18 administrators, or teachers, or other employees of the school, if the money from such  
19 sales, less reasonable and necessary expenses associated with the sale, is used solely  
20 and exclusively to support the school or its program or curricula.

21 (ii) Educational materials or equipment used for classroom instruction by  
22 approved parochial and private elementary and secondary schools which comply  
23 with the court order from the Dodd Brumfield decision and Section 501(c)(3) of the  
24 Internal Revenue Code, limited to books, workbooks, computers, computer software,  
25 films, videos, and audio tapes.

26 (f) For purposes of state and political subdivision sales and use tax, "use"  
27 shall not include the purchase of or the exercise of any right or power over tangible  
28 personal property used by Boys State of Louisiana, Inc. and Girls State of Louisiana,  
29 Inc. for their educational and public service programs for youth.

1 (g) Notwithstanding any provision of law to the contrary, for purposes of  
2 sales or use taxation by the state or any local political subdivision, the term "use"  
3 shall not mean or include any funeral directing services as defined in Subparagraph  
4 (10)(s) of this Section.

5 (h) ~~For~~ Solely for purposes of sales and use taxes levied by the state under  
6 R.S. 47:302, 321, and 331 or any political subdivision of the state, the term "use"  
7 shall not include the exercise of any right of ownership in or the distribution of  
8 telephone directories acquired by an advertising company that is not affiliated with  
9 a provider of telephone services if the telephone directories will be distributed free  
10 of charge to the recipients of the telephone directories.

11 (i) ~~For~~ Solely for purposes of the imposition of sales and use taxes imposed  
12 ~~or levied by all~~ by the state under R.S. 47:302, 321, and 331 or by any other taxing  
13 authorities in the state, in the case of the sale or any other disposition by a dealer of  
14 any cellular, PCS, or wireless telephone, any electronic accessories that are  
15 physically connected with such telephones and personal communications devices  
16 used in connection with the sale or use of mobile telecommunications services, as  
17 defined in R.S. 47:301(10)(v), the term "use" shall not include the withdrawal, use,  
18 distribution, consumption, storage, donation, or any other disposition of any such  
19 cellular, PCS, or wireless telephone, any electronic accessories that are physically  
20 connected with such telephones and personal communications devices by the dealer.

21 (j) For purposes of the imposition of sales and use taxes imposed or levied  
22 by any political subdivision of the state, in the case of the sale or any other  
23 disposition by a dealer of any cellular telephone, PCS telephone, wireless telephone,  
24 or other wireless personal communication device that is used in connection with the  
25 sale or use of mobile telecommunications services, as defined in R.S. 47:301(10)(w),  
26 or any electronic accessory that is physically connected with any such telephone or  
27 personal communications device, the term "use" shall not include the withdrawal,  
28 use, distribution, consumption, storage, donation, or any other disposition of any  
29 such telephone or electronic accessory by the dealer.

1 (k) Solely for purposes of the sales and use tax levied by the state ~~or any~~  
 2 ~~political subdivision whose boundaries are coterminous with those of the state~~ under  
 3 R.S. 47:302, 321, and 331, the term "use" shall not include the purchase, the use, the  
 4 consumption, the distribution, the storage for use or consumption, or the exercise of  
 5 any right or power over manufacturing machinery and equipment used or consumed  
 6 in this state to manufacture, produce or extract unblended biodiesel.

7 ~~(l) Solely for the purposes of sales and use taxes levied by the state or any~~  
 8 ~~political subdivision whose boundaries are coterminous with those of the state, the~~  
 9 ~~term "use" shall not include the use, the consumption, the distribution, the storage~~  
 10 ~~for use or consumption in this state, or the exercise of any right or power over an~~  
 11 ~~alternative substance as that term is defined in Subparagraph (10)(z) of this Section~~  
 12 ~~when such alternative substance is used as a fuel by a manufacturer. "Manufacturer"~~  
 13 ~~means a person whose principal activity is manufacturing and who is assigned by the~~  
 14 ~~Louisiana Workforce Commission a North American Industrial Classification~~  
 15 ~~System code with the agricultural, forestry, fishing, and hunting Sector 11 or the~~  
 16 ~~manufacturing Sectors 31-33 as they existed in 2002.~~

17 (m)(i) For the purposes of sales and use taxes imposed or levied by the state  
 18 or any political subdivision of the state, the term "use" shall not include the purchase  
 19 of or the exercise of any right or power over toys by a non-profit organization  
 20 exempt from federal taxation pursuant to Section 501(c)(3) of the Internal Revenue  
 21 Code if the sole purpose of the purchasing organization is to donate toys to minors  
 22 and the toys are, in fact, donated.

23 (ii) The exclusion provided for in this Subparagraph shall be subject to the  
 24 same conditions as are provided for in Items (10)(aa)(ii) and (iii) of this Section.

25 (n) For purposes of sales and use tax imposed by the state or any political  
 26 subdivision of the state, the term "use" shall not mean or include the purchase,  
 27 importation, storage, distribution, or exportation of, or exercise of any right or power  
 28 over, textbooks and course-related software by a private postsecondary academic  
 29 degree-granting institution, accredited by a national or regional commission that is  
 30 recognized by the United States Department of Education and is licensed by the

1 Board of Regents, which institution has its main location within this state and offers  
2 only online instruction, when all of the following apply:

3 (i) The textbooks and course-related software are physically outside of this  
4 state when purchased from a vendor outside of this state and then imported into this  
5 state.

6 (ii) The first student use of the textbooks and course-related software occurs  
7 outside of this state.

8 (iii) The textbooks and course-related software are provided to the student  
9 free of charge.

10 (o) Solely for purposes of the imposition of the state sales and use tax under  
11 R.S. 47:302, 321, and 331, the term "use" shall not include the purchase or use of any  
12 storm shutter device as defined and provided for in Subparagraph (10)(ee) of this  
13 Section.

14 (p) ~~For~~ Solely for purposes of sales and use tax imposed by the state under  
15 R.S. 47:302, 321, and 331 or any political subdivision of the state, the term "use"  
16 shall not mean or include the purchase, importation, storage, distribution or exercise  
17 of any right or power over anthropogenic carbon dioxide used in a qualified tertiary  
18 recovery project approved by the assistant secretary of the office of conservation of  
19 the Department of Natural Resources pursuant to R.S. 47:633.4.

20 \* \* \*

21 (28)(a) For purposes of the imposition of the lease or rental tax levied by the  
22 state under R.S. 47:302, 321, and 331 ~~and any political subdivision whose~~  
23 ~~boundaries are coterminous with those of the state~~, the "gross proceeds", "monthly  
24 lease or rental price paid", and "monthly lease or rental price contracted or agreed  
25 to be paid" for machinery and equipment used by a manufacturer in a plant facility  
26 predominately and directly in the actual manufacturing for agricultural purposes or  
27 the actual manufacturing process of an item of tangible personal property, including,  
28 but not limited to rubber tired farm tractors, cane harvesters, cane loaders, cotton  
29 pickers, combines, haybalers, attachments and sprayers, clippers, cultivators, discs,

1 plows, and spreaders, which is for ultimate sale to another and not for internal use,  
 2 at one or more fixed locations within Louisiana shall be reduced as follows:

3 (i) For the period ending on June 30, 2005, by five percent.

4 (ii) For the period beginning July 1, 2005, and ending on June 30, 2006, by  
 5 nineteen percent.

6 (iii) For the period beginning July 1, 2006, and ending on June 30, 2007, by  
 7 thirty-five percent.

8 (iv) For the period beginning July 1, 2007, and ending on June 30, 2008, by  
 9 fifty-four percent.

10 (v) For the period beginning July 1, 2008, and ending on June 30, 2009, by  
 11 sixty-eight percent.

12 (vi) For all periods beginning on or after July 1, 2009, the sales price shall  
 13 be reduced by one hundred percent.

14 (b) For purposes of this Paragraph, "machinery and equipment",  
 15 "manufacturer", "manufacturing", "manufacturing for agricultural purposes", "plant  
 16 facility", and "used directly" shall have the same meaning as defined in R.S.  
 17 47:301(3)(i)(ii).

18 (c) No person shall be entitled to purchase, use, lease, or rent machinery or  
 19 equipment as defined herein without payment of the tax imposed by R.S. 47:302,  
 20 321, and 331 before receiving a certificate of exclusion from the secretary of the  
 21 Department of Revenue certifying that he is a manufacturer as defined herein.

22 (d) The secretary of the Department of Revenue is hereby authorized to  
 23 adopt rules and regulations in order to administer the exclusion provided for in this  
 24 Subparagraph.

25 (e) The manufacturer's exemption certificate granted by the Department of  
 26 Revenue shall serve as a substitute for the sales tax exemption for certain farm  
 27 equipment.

28 \* \* \*



1           §318. Disposition of collections

2                   A. All monies collected under this Chapter shall be immediately paid into  
3           the state treasury, upon receipt, and first credited to the Bond Security and  
4           Redemption Fund as provided in Article VII, Section 9(B) of the Constitution of  
5           Louisiana; then an amount equal to four-tenths of one percent of all monies collected  
6           under this Chapter, and Chapters 2-A and 2-B of this Subtitle, and R.S. 51:1286 shall  
7           be used as provided in this Section. The dedication of revenues provided for in this  
8           Subsection shall in no way be interpreted to include any monies collected pursuant  
9           to the taxes imposed under R.S. 47:321.1.

10   \*       \*       \*

11           §321.1. Imposition of Tax

12                   A. In addition to the tax levied by R.S. 47:302(A), 321(A), and 331(A) and  
13           collected under the provisions of Chapter 2 of this Subtitle, there is hereby levied an  
14           additional tax upon the sale at retail, the use, the consumption, the distribution, and  
15           the storage for use or consumption in this state of each item or article of tangible  
16           personal property as defined in Chapter 2 of this Subtitle. The levy of said tax shall  
17           be as follows:

18                                   (1) At the rate of one percent of the sales price of each item or article of  
19           tangible personal property when sold at retail in this state, the tax to be computed on  
20           gross sales for the purpose of remitting the amount of tax to the state, and to include  
21           each and every retail sale.

22                                   (2) At the rate of one percent of the cost price of each item or article of  
23           tangible personal property when the same is not sold but is used, consumed,  
24           distributed, or stored for use or consumption in this state, provided that there shall  
25           be no duplication of the tax.

26                   B. In addition to the tax levied by R.S. 47:302(B), 321(B), and 331(B) and  
27           collected under the provisions of Chapter 2 of this Subtitle, there is hereby levied a  
28           tax upon the lease or rental within this state of each item or article of tangible  
29           personal property, as defined by Chapter 2 of this Subtitle; the levy of the tax to be  
30           as follows:

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

1           (1) At the rate of one percent of the gross proceeds derived from the lease  
 2           or rental of tangible personal property, as defined in Chapter 2 of this Subtitle, where  
 3           the lease or rental of such property is in an established business, or part of an  
 4           established business, or the same is incidental or germane to the business.

5           (2) At the rate of one percent of the monthly lease or rental price paid by a  
 6           lessee or rentee, or contracted or agreed to be paid by a lessee or rentee to the owner  
 7           of the tangible personal property.

8           C. In addition to the tax levied on sales of services by R.S. 47:302(C),  
 9           321(C), and 331(C) and collected under the provisions of Chapter 2 of this Subtitle,  
 10          there is hereby levied a tax upon all sales of services in this state, as those services  
 11          are defined by Chapter 2 of this Subtitle, at the rate of one percent of the amounts  
 12          paid or charged for the services.

13          D. The tax levied herein shall be collected from the dealer or wholesaler as  
 14          provided for and as defined by Chapter 2 of this Subtitle; shall be paid at the time  
 15          and in the manner provided therein; shall be in addition to all other taxes, whether  
 16          levied in the form of sales, excise, license, or privilege taxes; and shall be in addition  
 17          to taxes levied under the provisions of Chapter 2 of this Subtitle.

18          E. The provisions of this Section shall be inapplicable, inoperative, and of  
 19          no effect after June 30, 2018.

20          F. Notwithstanding any other provision of law to the contrary, including but  
 21          not limited to any contrary provision of this Chapter, there shall be no exemptions  
 22          or exclusions as defined in R.S. 47:301 to the tax levied pursuant to the provisions  
 23          of this Section, except for the sales or purchases of the following items:

24                 (1) Food for home consumption, as defined in R.S. 47:305(D)(1)(n) through  
 25                 (r) on January 1, 2003, as provided in Article VII, Section 2.2 of the Constitution of  
 26                 Louisiana.

27                 (2) Natural gas, as provided in Article VII, Section 2.2 of the Constitution  
 28                 of Louisiana.

29                 (3) Electricity, as provided in Article VII, Section 2.2 of the Constitution of  
 30                 Louisiana.

- 1                   (4) Water, as provided in Article VII, Section 2.2 of the Constitution of
- 2                   Louisiana.
- 3                   (5) Prescription drugs, as provided in Article VII, Section 2.2 of the
- 4                   Constitution of Louisiana.
- 5                   (6) Gasoline and other motor fuels subject to the state excise tax on fuel.
- 6                   (7) Sales to the United States government and its agencies, as provided in
- 7                   R.S. 301(10)(g).
- 8                   (8) Other constructions permanently attached to the ground, as provided in
- 9                   R.S. 47:301(16)(l).
- 10                  (9) Installation charges on tangible personal property, as provided in R.S.
- 11                  47:301(3)(a).
- 12                  (10) Installation of oil field board roads, as provided in R.S. 47:301(13)(c).
- 13                  (11) Transactions involving the construction or overhaul of United States
- 14                  Navy vessels, as provided in R.S. 47:301(7)(c) and (14)(h).
- 15                  (12) Property purchased for exclusive use outside the state, as provided in
- 16                  R.S. 47:305.10.
- 17                  (13) Sale, lease or rental of tangible personal property paid by or under the
- 18                  provisions of Medicare, as provided in R.S. 47:315.3.
- 19                  (14) Sales of human tissue transplants, as provided in R.S. 47:301(10)(d).
- 20                  (15) Sales of raw agricultural products, as provided in R.S. 47:301(10)(e)
- 21                  and 305(A)(3).
- 22                  (16) Sales of food by youth serving organizations chartered by congress, as
- 23                  provided in R.S. 47:301(10)(h).
- 24                  (17) Tangible personal property sold to food banks as provided in R.S.
- 25                  47:301(10)(j).
- 26                  (18) Materials used in the collection of blood as provided in R.S.
- 27                  47:301(16)(j).
- 28                  (19) Aphaeresis kits and leuko reduction filters as provided in R.S.
- 29                  47:301(16)(k).

- 1                   (20) Donation to schools and food banks from resale inventory as provided  
2                   in R.S. 47:301(18)(a).
- 3                   (21) Manufacturers rebates on new motor vehicles as provided in R.S.  
4                   47:301(3)(e) and (13)(b).
- 5                   (22) Lease or rentals of railroad rolling stock as provided in R.S.  
6                   47:301(4)(k).
- 7                   (23) Purchases and leases by free hospitals as provided in R.S. 47:301(7)(e),  
8                   (10)(p) and (18)(c).
- 9                   (24) Purchases by nonprofit entities that sell donated goods as provided in  
10                  R.S. 47:301(8)(f).
- 11                  (25) Tangible personal property for resale as provided in R.S.  
12                  47:301(10)(a)(i).
- 13                  (26) Purchases of property for lease or rental as provided in La. R.S.  
14                  47:301(10)(a)(iii) and (18)(a)(iii).
- 15                  (27) Isolated or occasional sales of tangible personal property as provided  
16                  in R.S. 47:301(1) and (10)(c)(ii)(bb).
- 17                  (28) Use of motor vehicles in Louisiana by active duty military as provided  
18                  in La. R.S. 47:303(A) and 305.48.
- 19                  (29) Purchases made with food stamps and WIC as provided in R.S.  
20                  47:305.46.
- 21                  (30) Articles traded in on purchases of tangible personal property as  
22                  provided in R.S. 47:301(13)(a).
- 23                  (31) Donations of toys as provided in R.S. 47:301(10)(z)(aa)(i) and (18)(m).
- 24                  (32) Stocks, bonds, notes or other obligations or securities as provided in  
25                  R.S. 47:301(16)(b)(i).
- 26                  (33) Credit for sales and use taxes paid to other states on tangible personal  
27                  property imported in Louisiana as provided in R.S. 47:303(A)(3)(a).
- 28                  (34) Work product of certain professionals as provided in R.S.  
29                  47:301(16)(e).

- 1                   (35) Purchases by regionally accredited independent educational institutions  
2                   as provided in R.S. 47:301(8)(b).
- 3                   (36) Sales through coin-operated vending machines as provided in R.S.  
4                   47:301(10)(b)(i).
- 5                   (37) Purchases by a private postsecondary academic degree-granting  
6                   institution as provided in R.S. 47:301(10)(cc) and as provided in R.S. 47:301(18)(n).
- 7                   (38) Purchases of food items for school lunch or breakfast programs by  
8                   nonpublic elementary or secondary schools as provided in R.S. 47:301(10)(dd).
- 9                   (39) Repair services performed in Louisiana when the repaired property is  
10                  exported as provided in R.S. 47:301(14)(g)(i)(bb).
- 11                  (40) Funeral directing services as provided in R.S. 47:301(14)(j).
- 12                  (41) Feed and feed additives for animals held for business purposes as  
13                  provided in R.S. 47:305(A)(4).
- 14                  (42) Farm products produced and used by farmers as provided in R.S.  
15                  47:305(B).
- 16                  (43) Sales of fertilizers and containers to farmers as provided in R.S.  
17                  47:305(D)(1)(f).
- 18                  (44) Sales of seeds for planting crops as provided in R.S. 47:305.3.
- 19                  (45) Sales of pesticides for agricultural purposes as provided in R.S.  
20                  47:305.8.
- 21                  (46) The cost price for the printing of a news publication as provided in R.S.  
22                  47:301(3)(h).
- 23                  (47) Vehicle rentals to warranty customers as provided in R.S. 47:301(7)(h).
- 24                  (48) Lease or rental of a crane and related equipment with an operator as  
25                  provided in R.S. 47:301(7)(k).
- 26                  (49) Sales by and to the state and its political subdivisions as provided in  
27                  R.S. 47:301(8)(c).
- 28                  (50) Sales of materials for further processing as provided in R.S.  
29                  47:301(10)(c)(i)(aa).

1                   (51) The sales price for new farm equipment used in poultry production as  
2                   provided in R.S. 47:301(13)(c).

3                   (52) A factory built home as provided in R.S. 47:301(16)(g).

4                   (53) Any advertising service rendered by an advertising business as provided  
5                   in R.S. 47:302(D).

6                   (54) The sale of livestock, poultry, and other farm products direct from a  
7                   farm as provided in R.S. 47:305(A)(1).

8                   (55) The sale of livestock at public sales sponsored by breeders' or registry  
9                   associations or livestock auction markets as provided in R.S. 47:305(A)(2).

10                  (56) The sale of agricultural products by a person other than the producer,  
11                  for use in further processing as provided in R.S. 47:305(A)(3).

12                  (57) Transactions in interstate commerce and tangible personal property  
13                  imported into this state, or produced or manufactured in this state, for export as  
14                  provided in R.S. 47:305(E).

15                  (58) Ships, vessels, barges, and related supplies as provided in R.S. 47:305.1.

16                  (59) The sales price for new farm equipment as provided in R.S. 47:305.25.

17                  (60) Trucks and trailers if used at least eighty percent of the time in interstate  
18                  commerce as provided in R.S. 47:305.50(A).

19                  (61) Freight cars, piggy-back cars and rolling stock, and railroad ties as  
20                  provided in R.S. 47:305.45 and 305.50(F).

21                  (62) Councils on Aging as provided in R.S. 47:305.66.

22                  (63) Sales of pharmaceuticals administered to livestock for agricultural  
23                  purposes as provided in R.S. 47:301(16)(f).

24                  (64) Materials used in the production of crawfish and catfish as provided in  
25                  R.S. 47:305(A)(5) and (6).

26                  (65) Manufacturing machinery and equipment as provided in R.S.  
27                  47:301(3)(i), (13)(k), and (28)(a). The provisions of this Paragraph shall be  
28                  operative and in effect beginning July 1, 2016.

29                  G. The avails of the tax collected under this Section shall be deposited  
30                  immediately into the state treasury, and, after compliance with the requirements of

1           Article VII, Section 9(B) of the Constitution of Louisiana, the state treasurer shall  
2           pay the remainder of the monies into the state general fund.

3                   H. No amount of additional revenue collected as a result of this Section shall  
4           be remitted to any tax increment financing district or economic development project.

5           Section 2. This Act shall be applicable for taxable periods beginning on April 1,  
6           2016.

7           Section 3. The provisions of this Act shall become effective on April 1, 2016.

\_\_\_\_\_  
SPEAKER OF THE HOUSE OF REPRESENTATIVES

\_\_\_\_\_  
PRESIDENT OF THE SENATE

\_\_\_\_\_  
GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_