

**OFFICIAL JOURNAL**  
OF THE  
**HOUSE OF**  
**REPRESENTATIVES**  
OF THE  
**STATE OF LOUISIANA**

**TWENTIETH DAY'S PROCEEDINGS**

**Thirty-ninth Extraordinary Session of the Legislature  
Under the Adoption of the  
Constitution of 1974**

House of Representatives  
State Capitol  
Baton Rouge, Louisiana

Monday, March 7, 2016

The House of Representatives was called to order at 3:58 P.M., by the Honorable Taylor Barras, Speaker of the House of Representatives.

**Morning Hour**

**ROLL CALL**

The roll being called, the following members answered to their names:

PRESENT

Mr. Speaker	Franklin	Lopinto
Abraham	Gaines	Lyons
Abramson	Garofalo	Mack
Adams	Gisclair	Magee
Amedee	Glover	Marcelle
Anders	Guinn	McFarland
Armes	Hall	Miguez
Bacala	Harris, J.	Miller, D.
Bagley	Harris, L.	Miller, G.
Bagneris	Havard	Montoucet
Berthelot	Hazel	Moreno
Billiot	Henry	Morris, Jay
Bishop	Hensgens	Morris, Jim
Bouie	Hilferty	Norton
Broadwater	Hill	Pearson
Brown, C.	Hodges	Pierre
Brown, T.	Hoffmann	Pope
Carmody	Hollis	Price
Carpenter	Horton	Pugh
Carter, G.	Howard	Pylant
Carter, R.	Hunter	Reynolds
Carter, S.	Huval	Richard
Chaney	Ivey	Schexnayder
Connick	Jackson	Schroder
Coussan	James	Seabaugh
Cox	Jefferson	Shadoin
Cromer	Jenkins	Smith
Danahay	Johnson, M.	Stokes
Davis	Johnson, R.	Talbot
DeVillier	Jones	Thibaut
Dwight	Landry, N.	White
Edmonds	Landry, T.	Willmott

Emerson	LeBas	Zeringue
Falconer	Leger	
Foil	Leopold	
Total - 103		

The Speaker announced that there were 103 members present and a quorum.

**Prayer**

Prayer was offered by Rep. Mike Johnson.

**Pledge of Allegiance**

Rep. Lyons led the House in reciting the Pledge of Allegiance to the Flag of the United States of America.

**Reading of the Journal**

On motion of Rep. Hill, the reading of the Journal was dispensed with.

On motion of Rep. Hill, the Journal of March 6, 2016, was adopted.

**Petitions, Memorials, and  
Communications**

The following petitions, memorials, and communications were received and read:

**Message from the Senate**

**HOUSE CONCURRENT RESOLUTIONS**

March 7, 2016

To the Honorable Speaker and Members of the House of Representatives:

I am directed to inform your honorable body that the Senate has concurred in the following House Concurrent Resolutions:

House Concurrent Resolution No. 11  
Returned with amendments

Respectfully submitted,

GLENN A. KOEPP  
Secretary of the Senate

**Conference Committee Reports Received**

Conference Committee Reports were received for the following legislative instruments:

House Bill No. 59

The conference committee reports for the above legislative instruments lie over under the rules.

**Introduction of Resolutions,  
House and House Concurrent**

The following members introduced the following entitled House and House Concurrent Resolutions, which were read the first time by their titles and placed upon the calendar for their second reading:

**HOUSE CONCURRENT RESOLUTION NO. 12—  
BY REPRESENTATIVE BARRAS**

A CONCURRENT RESOLUTION  
To recognize March 7-13, 2016, as Multiple Sclerosis Awareness  
Week at the state capitol.

Read by title.

On motion of Rep. Leger, and under a suspension of the rules, the resolution was adopted.

Ordered to the Senate.

Reconsideration

The following legislative instruments on reconsideration were taken up and acted upon as follows:

HOUSE BILL NO. 61— BY REPRESENTATIVE JAY MORRIS AN ACT

To amend and reenact R.S. 4:168 and 227, R.S. 12:425, R.S. 22:2065, R.S. 33:4169(D), R.S. 40:582.7 (introductory paragraph), R.S. 47:301(3), (6) through (10), (13) through (16), (18), and (27), 302(R)(2) and (3), (S), and (T), 305(A)(2), (4)(a), (5) and (6), (D)(1)(b) through (d), (f) through (i), and (u), (2)(a)(introductory paragraph), (F), and (I), 305.1(A) and (B), 305.6 through 305.9, 305.13, 305.14(A)(1), 305.16, 305.17, 305.18(A), 305.19, 305.20(C), 305.25(A)(introductory paragraph), 305.26, 305.28(A), 305.33, 305.37(A), 305.40(A)(introductory paragraph), 305.41, 305.42, 305.43(A), 305.44(A), 305.45(A)(introductory paragraph), 305.47, 305.49, 305.50(A)(1) and (2)(a), (B), (E), and (F), 305.51(A), 305.54(B)(1), 305.57(A), 305.58(A)(1), 305.59, 305.61(A), 305.62(B)(1), 305.63, 305.64(A)(1), 305.65(A), 305.66(A), 305.67, 305.68, 305.70, 305.71, 318(A), 321(H), (I), (J), and (K), 331(P)(3) and (4), (Q) and (R), and 6001(A), and R.S. 51:1307(C), and to enact Subpart T of Part II-A of Chapter 1 of Subtitle I of Title 39 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 39:100.147, and to repeal Section 4 of Act No. 386 of 1990, relative to state revenues; to dedicate certain state sales and use tax revenues for support of post-secondary education; to establish a special treasury fund; to provide for the deposit and use of monies in the fund; to provide with respect to the applicability of certain exclusions and exemptions from the state sales and use tax base; to provide for effectiveness; and to provide for related matters.

Read by title.

On motion of Rep. Jay Morris, the vote by which the above House Bill failed to pass on the previous legislative day was reconsidered.

Returned to the calendar under the rules.

Suspension of the Rules

On motion of Rep. Leger, the rules were suspended in order to take up and consider House Bills and Joint Resolutions on Third Reading and Final Passage at this time.

House Bills and Joint Resolutions on Third Reading and Final Passage

The following House Bills and Joint Resolutions on third reading and final passage were taken up and acted upon as follows:

Suspension of the Rules

On motion of Rep. Leger, and under a suspension of the rules, the following bill was taken up out of its regular order at this time.

HOUSE BILL NO. 33— BY REPRESENTATIVE LEGER AN ACT

To amend and reenact R.S. 47:293(3), relative to the individual income tax; to reduce the amount of the deduction for excess federal itemized personal deductions; to provide for

applicability; to provide for an effective date; and to provide for related matters.

Called from the calendar.

Read by title.

Rep. Stokes sent up floor amendments which were read as follows:

HOUSE FLOOR AMENDMENTS

Amendments proposed by Representative Stokes to Engrossed House Bill No. 33 by Representative Leger

AMENDMENT NO. 1

Delete the set of Floor Amendments by Representative Ivey (#436)

AMENDMENT NO. 2

On page 2, line 4, change "fifty" to "fifty-seven and one-half"

On motion of Rep. Stokes, the amendments were withdrawn.

Rep. Leger moved the final passage of the bill, as amended.

ROLL CALL

The roll was called with the following result:

YEAS

Table with 3 columns listing names of representatives under the YEAS section, including Adams, Anders, Armes, Bagley, Bagneris, Billiot, Bouie, Brown, C., Carpenter, Carter, G., Cox, Danahay, Dwight, Franklin, Gaines, Total - 44, Gisclair, Glover, Hall, Harris, J., Hill, Jackson, James, Jefferson, Jenkins, Johnson, R., Jones, Landry, T., LeBas, Leger, Lyons, Magee, Marcelle, Miller, D., Montoucet, Moreno, Norton, Pierre, Price, Shadoin, Smith, Stokes, Thibaut, White, Zeringue.

NAYS

Table with 3 columns listing names of representatives under the NAYS section, including Mr. Speaker, Abraham, Abramson, Amedee, Bacala, Berthelot, Bishop, Broadwater, Brown, T., Carmody, Carter, R., Carter, S., Chaney, Connick, Coussan, Cromer, Davis, DeVillier, Edmonds, Emerson, Total - 58, Falconer, Foil, Garofalo, Guinn, Harris, L., Havard, Hazel, Henry, Hensgens, Hilferty, Hodges, Hoffmann, Hollis, Horton, Howard, Huval, Ivey, Johnson, M., Landry, N., Leopold, Lopinto, Mack, McFarland, Miguez, Miller, G., Morris, Jay, Morris, Jim, Pearson, Pope, Pugh, Pylant, Reynolds, Richard, Schexnayder, Schroder, Seabaugh, Talbot, Willmott.

ABSENT

Hunter Simon  
Total - 2

The Chair declared the above bill failed to pass.

Rep. Mack moved to reconsider the vote by which the above bill failed to pass, and, on his own motion, the motion to reconsider was laid on the table.

**HOUSE BILL NO. 34—**

BY REPRESENTATIVE LEGER

AN ACT

To amend and reenact R.S. 47:32(A), relative to individual income tax; to provide with respect to the income brackets for purposes of calculating individual income tax; to provide for applicability; and to provide for related matters.

Called from the calendar.

Read by title.

**Motion**

On motion of Rep. Leger, the bill was returned to the calendar.

**Suspension of the Rules**

On motion of Rep. Jackson, and under a suspension of the rules, the following bill was taken up out of its regular order at this time.

**HOUSE BILL NO. 24—**

BY REPRESENTATIVE JACKSON

AN ACT

To amend and reenact R.S. 47:227 and 6034(C)(1)(a)(ii)(bb)(II), (c)(ii), and (d)(ii), and Sections 7 and 8 of Act No. 125 of the 2015 Regular Session of the Legislature and to repeal Sections 4, 5, and 6 of Act No. 125 of the 2015 Regular Session of the Legislature, relative to the sunset of reductions to tax credits in Act No. 125 of the 2015 Regular Session of the Legislature; to repeal the three-year sunset of reductions to tax credits in Act No. 125 of the 2015 Regular Session of the Legislature; to provide for an effective date; and to provide for related matters.

Called from the calendar.

Read by title.

Rep. Jackson sent up floor amendments which were read as follows:

**HOUSE FLOOR AMENDMENTS**

Amendments proposed by Representative Jackson to Engrossed House Bill No. 24 by Representative Jackson

AMENDMENT NO. 1

Delete the set of House Floor Amendments by Representative Jackson (#744)

AMENDMENT NO. 2

On page 1, delete line 3 through 6 in its entirety and insert "Sections 7 and 8 of Act No. 125 of the 2015 Regular Session of the Legislature, relative to Act No. 125 of the Regular Session of the Legislature; to extend the sunset of reductions"

AMENDMENT NO. 3

On page 4, delete lines 1 and 2 in their entirety

AMENDMENT NO. 4

On page 4, at the beginning of line 3, change "Section 3." to "Section 2."

AMENDMENT NO. 5

On page 4, line 8, after "July 1, 2015," and before "regardless" insert "through the termination date in the Act that originated as House Bill No. 62 of the 2016 First Extraordinary Session of the Legislature"

AMENDMENT NO. 6

On page 4, line 11, after "July 1, 2015," and before "relating" insert "through the termination date in the Act that originated as House Bill No. 62 of the 2016 First Extraordinary Session of the Legislature"

AMENDMENT NO. 7

On page 4, line 13, after "July 1, 2015," and before "for" insert "through the termination date in the Act that originated as House Bill No. 62 of the 2016 First Extraordinary Session of the Legislature"

AMENDMENT NO. 8

On page 4, line 19, after "Section 8." and before "The" insert "(A)"

AMENDMENT NO. 9

On page 4, at the end of line 20, insert a period "." and insert the following:

"In the event the Act that originated as House Bill No. 62 of the 2016 First Extraordinary Session of the Legislature is enacted and becomes effective, the provisions of Sections 1, 2, and 3 of this Act shall remain in effect through the termination date in the Act that originated as House Bill No. 62 of the 2016 First Extraordinary Session of the Legislature.

(B) The provisions of Sections 4, 5, and 6 of this Act shall become effective upon the termination date of Sections 1, 2, and 3 of this Act, as provided in this Section."

AMENDMENT NO. 10

On page 4, delete lines 23 through 27 in their entirety and insert the following:

"Section 3. This Act shall take effect only if and when the Act which originated as House Bill No. 62 of this 2016 First Extraordinary Session of the Legislature becomes effective."

On motion of Rep. Jackson, the amendments were adopted.

Rep. Jackson moved the final passage of the bill, as amended.

**ROLL CALL**

The roll was called with the following result:

YEAS

Mr. Speaker	Gaines	LeBas
Abraham	Gisclair	Leger
Abramson	Glover	Lyons
Adams	Hall	Marcelle
Anders	Harris, J.	Miller, D.
Arnes	Harris, L.	Montoucet
Bagneris	Havard	Moreno
Billiot	Henry	Morris, Jay
Bouie	Hill	Morris, Jim
Brown, C.	Hoffmann	Norton

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Brown, T. Hunter Pierre
Carpenter Jackson Pope
Carter, G. James Price
Carter, R. Jefferson Pylant
Chaney Jenkins Reynolds
Cox Johnson, R. Smith
Danahay Jones Thibaut
Franklin Landry, T. White
Total - 54

NAYS

Amedee Foil Mack
Bacala Garofalo Magee
Bagley Guinn McFarland
Berthelot Hazel Miguez
Bishop Hensgens Miller, G.
Carmody Hilferty Pearson
Carter, S. Hodges Pugh
Connick Hollis Richard
Coussan Horton Schexnayder
Cromer Howard Schroder
Davis Huval Seabaugh
DeVillier Ivey Shadoin
Dwight Johnson, M. Stokes
Edmonds Landry, N. Talbot
Emerson Leopold Willmott
Falconer Lopinto Zeringue
Total - 48

ABSENT

Broadwater Simon
Total - 2

The Chair declared the above bill was finally passed.

The title of the above bill was read and adopted.

Rep. Jackson moved to reconsider the vote by which the above bill was finally passed, and, on her own motion, the motion to reconsider was laid on the table.

Consent to Correct a Vote Record

Rep. Hilferty requested the House consent to record her vote on final passage of House Bill No. 24 as nay, which consent was unanimously granted.

HOUSE BILL NO. 75—

BY REPRESENTATIVE STOKES

AN ACT

To amend and reenact R.S. 47:32(A), 79, 293(10), and 295(B) and to repeal R.S. 47:293(3) and (9)(a)(xi) and 294, relative to the individual income tax; to provide for the calculation of individual income tax liability; to provide for the rates and brackets on individual income tax; to provide for certain deductions and credits; to reduce certain deductions and credits; to repeal the deduction for excess federal itemized personal deductions; to provide for effectiveness; and to provide for related matters.

Called from the calendar.

Read by title.

Rep. Stokes sent up floor amendments which were read as follows:

HOUSE FLOOR AMENDMENTS

Amendments proposed by Representative Stokes to Engrossed House Bill No. 75 by Representative Stokes

AMENDMENT NO. 1

On page 1, line 17, after "(2)", delete the remainder of the line in its entirety and insert "Three and eight tenths of one percent on"

On motion of Rep. Stokes, the amendments were adopted.

Rep. Stokes moved the final passage of the bill, as amended.

ROLL CALL

The roll was called with the following result:

YEAS

Mr. Speaker Franklin Leopold
Abraham Gaines Lopinto
Abramson Garofalo Lyons
Adams Gisclair Magee
Anders Glover Marcelle
Bacala Guinn McFarland
Bagley Hall Miguez
Bagneris Harris, J. Miller, D.
Berthelot Harris, L. Miller, G.
Billiot Hazel Montoucet
Bishop Henry Moreno
Bouie Hensgens Morris, Jim
Brown, C. Hilferty Pearson
Brown, T. Hill Pierre
Carmody Hoffmann Pugh
Carpenter Hollis Pylant
Carter, G. Horton Reynolds
Carter, S. Howard Richard
Chaney Huval Schexnayder
Connick Ivey Schroder
Coussan Jackson Seabaugh
Cox James Shadoin
Cromer Jefferson Smith
Danahay Jenkins Stokes
Davis Johnson, M. Talbot
DeVillier Johnson, R. Thibaut
Dwight Jones White
Edmonds Landry, N. Willmott
Emerson Landry, T. Zeringue
Falconer LeBas
Foil Leger
Total - 91

NAYS

Amedee Havard Norton
Armes Hunter Pope
Broadwater Mack Price
Carter, R. Morris, Jay
Total - 11

ABSENT

Hodges Simon
Total - 2

The Chair declared the above bill was finally passed.

The title of the above bill was read and adopted.

Rep. Stokes moved to reconsider the vote by which the above bill was finally passed, and, on her own motion, the motion to reconsider was laid on the table.

HOUSE BILL NO. 76—

BY REPRESENTATIVE STOKES

A JOINT RESOLUTION

Proposing to amend Article VII, Section 4(A) of the Constitution of Louisiana, relative to income taxation; to provide with respect

to the rates and brackets for purposes of calculating individual income taxes; to provide with respect to the deductibility of federal income taxes paid for purposes of computing state income taxes; to provide for applicability; to provide for submission of the proposed amendment to the electors; and to provide for related matters.

Called from the calendar.

Read by title.

Rep. Stokes sent up floor amendments which were read as follows:

**HOUSE FLOOR AMENDMENTS**

Amendments proposed by Representative Stokes to Engrossed House Bill No. 76 by Representative Stokes

AMENDMENT NO. 1

On page 1, line 4, after "taxes;" and before "to provide" insert "to establish the maximum rate for purposes of calculating individual income taxes;"

AMENDMENT NO. 2

On page 1, delete lines 13 through 18 in their entirety and insert the following:

"Section 4.(A) Income Tax. Equal and uniform taxes may be levied on net incomes, and these taxes may be graduated according to the amount of net income. However, the maximum state individual and joint income tax ~~schedule of rates and brackets rate shall never exceed the rates and brackets set forth in Title 47 of the Louisiana Revised Statutes on January 1, 2003 not exceed four and three-quarters of one percent. Federal income taxes paid shall be allowed as a deductible item in computing state income taxes for the same period.~~"

AMENDMENT NO. 3

On page 2, line 2, after "Resolution shall" and before "applicable" delete "be" and insert "become effective January 1, 2017, and shall be"

AMENDMENT NO. 4

On page 2, line 12, after "paid and" and before "references" insert "delete"

AMENDMENT NO. 5

On page 2, line 13, after "constitution" delete the question mark "?" and delete the remainder of the line and insert the following:

"in favor of establishing a maximum flat individual income tax rate of four and three-quarters of one percent? (Effective January 1, 2017 - Amends Article VII,"

On motion of Rep. Stokes, the amendments were adopted.

Rep. Stokes moved the final passage of the bill, as amended.

**ROLL CALL**

The roll was called with the following result:

YEAS

Mr. Speaker	Falconer	Lopinto
Abraham	Foil	Lyons

Abramson	Franklin	Magee
Adams	Gaines	Marcelle
Amedee	Garofalo	McFarland
Anders	Gisclair	Miguez
Armes	Glover	Miller, D.
Bacala	Guinn	Miller, G.
Bagley	Hall	Montoucet
Bagneris	Harris, J.	Moreno
Berthelot	Harris, L.	Morris, Jim
Billiot	Hazel	Pearson
Bishop	Henry	Pierre
Bouie	Hilferty	Price
Brown, C.	Hill	Pugh
Brown, T.	Hoffmann	Pylant
Carmody	Hollis	Reynolds
Carpenter	Horton	Richard
Carter, G.	Howard	Schexnayder
Carter, S.	Ivey	Schroder
Chaney	Jackson	Seabaugh
Connick	James	Shadoin
Coussan	Jefferson	Smith
Cox	Jenkins	Stokes
Cromer	Johnson, R.	Talbot
Danahay	Jones	Thibaut
Davis	Landry, N.	White
DeVillier	Landry, T.	Willmott
Dwight	LeBas	Zeringue
Edmonds	Leger	
Emerson	Leopold	
Total - 91		

NAYS

Carter, R.	Hunter	Norton
Havard	Huval	Pope
Hensgens	Mack	
Hodges	Morris, Jay	
Total - 10		

ABSENT

Broadwater	Johnson, M.
Simon	
Total - 3	

The Chair declared the above bill, having received a two-thirds vote of the elected members, was finally passed.

The title of the above bill was read and adopted.

Rep. Stokes moved to reconsider the vote by which the above bill was finally passed, and, on her own motion, the motion to reconsider was laid on the table.

**HOUSE BILL NO. 80—**

BY REPRESENTATIVES STOKES, ADAMS, CHAD BROWN, DAVIS, GAROFALO, HILFERTY, HOFFMANN, IVEY, MORENO, PEARSON, THIBAUT, WHITE, AND WILLMOTT

AN ACT

To amend and reenact R.S. 47:241, 287.69, 293(10), 300.6(A), and 300.7(A) and to repeal R.S. 47:55(5), 287.79, 287.83, 287.85, 287.442(B)(1), 293(4) and (9)(a)(ii), 296.1(B)(3)(c), and 298, relative to income tax; to provide relative to the deductibility of federal income taxes; to repeal deductibility of federal income taxes paid for purposes of calculating individual and corporate income taxes; to provide for applicability; to provide for an effective date; and to provide for related matters.

Called from the calendar.

Read by title.

Rep. Stokes sent up floor amendments which were read as follows:

HOUSE FLOOR AMENDMENTS

Amendments proposed by Representative Stokes to Engrossed House Bill No. 80 by Representative Stokes

AMENDMENT NO. 1

On page 1, at the beginning of line 17, insert "the"

AMENDMENT NO. 2

On page 3, line 26, after "effect" delete the remainder of the line in its entirety and insert "on January 1, 2017, if the proposed"

AMENDMENT NO. 3

On page 3, line 28, after "House Bill" and before "of this" delete "No. 41" and insert "No. 76"

On motion of Rep. Stokes, the amendments were adopted. Rep. Stokes moved the final passage of the bill, as amended.

ROLL CALL

The roll was called with the following result:

YEAS

Table listing members in the YEAS category, including Mr. Speaker, Abraham, Abramson, Adams, Amedee, Anders, Armes, Bacala, Bagley, Bagneris, Berthelot, Billiot, Bishop, Bouie, Brown, C., Brown, T., Carmody, Carpenter, Carter, G., Carter, S., Chaney, Connick, Cox, Cromer, Danahay, Davis, Dwight, Edmonds, Emerson, and a Total of 86.

NAYS

Table listing members in the NAYS category, including Broadwater, Carter, R., Coussan, Havard, Henry, and a Total of 14.

ABSENT

Table listing members in the ABSENT category, including DeVillier, Johnson, M., and a Total of 4.

The Chair declared the above bill was finally passed.

The title of the above bill was read and adopted.

Rep. Stokes moved to reconsider the vote by which the above bill was finally passed, and, on her own motion, the motion to reconsider was laid on the table.

HOUSE BILL NO. 46— BY REPRESENTATIVE JAMES AN ACT

To amend and reenact R.S. 47:6006(A), (B), and (D), relative to income and corporation franchise tax credits; to provide with respect to tax credits for ad valorem taxes paid to political subdivisions on certain property; to reduce the amount of the tax credits; to provide with respect to the issuance of refunds for tax credits which exceed taxpayer liability; to provide for an effective date; and to provide for related matters.

Called from the calendar.

Read by title.

Rep. Stokes sent up floor amendments which were read as follows:

HOUSE FLOOR AMENDMENTS

Amendments proposed by Representative Stokes to Engrossed House Bill No. 46 by Representative James

AMENDMENT NO. 1

On page 3, at the end of line 6, delete "ten" and insert "twenty"

AMENDMENT NO. 2

On page 3, line 12, after "subdivisions is" and before "thousand" delete "ten" and insert "twenty"

On motion of Rep. Stokes, the amendments were adopted.

Rep. Jay Morris sent up floor amendments which were read as follows:

HOUSE FLOOR AMENDMENTS

Amendments proposed by Representative Jay Morris to Engrossed House Bill No. 46 by Representative James

AMENDMENT NO. 1

On page 3, at the end of line 6, delete "ten" and insert "four hundred"

AMENDMENT NO. 2

On page 3, line 12, after "subdivisions is" and before "thousand" delete "ten" and insert "four hundred"

On motion of Rep. Jay Morris, the amendments were adopted.

Rep. James moved the final passage of the bill, as amended.

ROLL CALL

The roll was called with the following result:

YEAS

Table listing members in the YEAS category, including Abramson, Anders, Armes, Franklin, Gisclair, Glover, Landry, T., LeBas, and Leger.

Bagneris	Hall	Marcelle
Bouie	Harris, J.	Montoucet
Carpenter	Hill	Moreno
Carter, G.	Hunter	Morris, Jay
Carter, R.	James	Norton
Chaney	Jefferson	Reynolds
Cox	Jones	Smith

Total - 30

NAYS

Mr. Speaker	Falconer	Lyons
Abraham	Foil	Mack
Adams	Garofalo	Magee
Amedee	Guinn	McFarland
Bacala	Harris, L.	Miguez
Bagley	Havard	Miller, G.
Berthelot	Hazel	Morris, Jim
Billiot	Henry	Pearson
Bishop	Hensgens	Pierre
Broadwater	Hilferty	Pope
Brown, C.	Hodges	Price
Brown, T.	Hoffmann	Pugh
Carmody	Hollis	Pylant
Carter, S.	Horton	Richard
Connick	Howard	Schexnayder
Coussan	Huval	Schroder
Cromer	Ivey	Seabaugh
Danahay	Jenkins	Shadoin
Davis	Johnson, M.	Stokes
DeVillier	Johnson, R.	Talbot
Dwight	Landry, N.	Thibaut
Edmonds	Leopold	Willmott
Emerson	Lopinto	Zeringue

Total - 69

ABSENT

Jackson	Simon	White
Gaines	Miller, D.	

Total - 5

The Chair declared the above bill failed to pass.

Rep. Lance Harris moved to reconsider the vote by which the above bill failed to pass, and, on his own motion, the motion to reconsider was laid on the table.

**Consent to Correct a Vote Record**

Rep. Guinn requested the House consent to record his vote on final passage of House Bill No. 46 as nay, which consent was unanimously granted.

**Motion**

On motion of Rep. Jay Morris, and under a suspension of the rules, House Bill No. 61 was called from the calendar.

**HOUSE BILL NO. 61—**

BY REPRESENTATIVE JAY MORRIS  
AN ACT

To amend and reenact R.S. 4:168 and 227, R.S. 12:425, R.S. 22:2065, R.S. 33:4169(D), R.S. 40:582.7 (introductory paragraph), R.S. 47:301(3), (6) through (10), (13) through (16), (18), and (27), 302(R)(2) and (3), (S), and (T), 305(A)(2), (4)(a), (5) and (6), (D)(1)(b) through (d), (f) through (i), and (u), (2)(a)(introductory paragraph), (F), and (I), 305.1(A) and (B), 305.6 through 305.9, 305.13, 305.14(A)(1), 305.16, 305.17, 305.18(A), 305.19, 305.20(C), 305.25(A)(introductory paragraph), 305.26, 305.28(A), 305.33, 305.37(A), 305.40(A)(introductory paragraph), 305.41, 305.42, 305.43(A), 305.44(A), 305.45(A)(introductory paragraph), 305.47, 305.49, 305.50(A)(1) and (2)(a), (B), (E), and (F), 305.51(A),

305.54(B)(1), 305.57(A), 305.58(A)(1), 305.59, 305.61(A), 305.62(B)(1), 305.63, 305.64(A)(1), 305.65(A), 305.66(A), 305.67, 305.68, 305.70, 305.71, 318(A), 321(H), (I), (J), and (K), 331(P)(3) and (4), (Q) and (R), and 6001(A), and R.S. 51:1307(C), and to enact Subpart T of Part II-A of Chapter 1 of Subtitle I of Title 39 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 39:100.147, and to repeal Section 4 of Act No. 386 of 1990, relative to state revenues; to dedicate certain state sales and use tax revenues for support of post-secondary education; to establish a special treasury fund; to provide for the deposit and use of monies in the fund; to provide with respect to the applicability of certain exclusions and exemptions from the state sales and use tax base; to provide for effectiveness; and to provide for related matters.

Called from the calendar.

Read by title.

Rep. Jay Morris sent up floor amendments which were read as follows:

**HOUSE FLOOR AMENDMENTS**

Amendments proposed by Representative Jay Morris to Engrossed House Bill No. 61 by Representative Jay Morris

AMENDMENT NO. 1

Delete House Floor Amendment Nos. 2 and 10 by Representative Morris (#639)

AMENDMENT NO. 2

On page 1, line 4, after "(T)," delete the remainder of the line and at the beginning of line 5, insert "305"

AMENDMENT NO. 3

On page 1, line 12, after "305.71," and before "321(H)" delete "318(A),"

AMENDMENT NO. 4

On page 1, line 16, after "to state" delete the remainder of the line, delete lines 17 and 18 in their entirety, and insert "sales and use taxes; to provide with"

AMENDMENT NO. 5

On page 4, line 23, after "(T)," and before ""(D)(1)(b)" delete "305(A)(2), (4)(a), (5), and (6)," and insert "305"

AMENDMENT NO. 6

On page 5, at the end of line 1, delete "318(A),"

AMENDMENT NO. 7

On page 49, line 10, after "(o)" and before "For" insert "(i)"

AMENDMENT NO. 8

On page 49, line 21, insert the following:

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

AMENDMENT NO. 9

On page 76, delete lines 5 through 12 in their entirety

On motion of Rep. Jay Morris, the amendments were adopted.

Rep. Cromer sent up floor amendments which were read as follows:

HOUSE FLOOR AMENDMENTS

Amendments proposed by Representative Cromer to Engrossed House Bill No. 61 by Representative Jay Morris

AMENDMENT NO. 1

On page 80, delete lines 18 through 24 in their entirety, insert the following:

"Section 8. R.S. 4:168 and 227 are hereby amended and reenacted to read as follows:

§168. License fees, commissions, and taxes of this Part in lieu of all other such taxes

The license fees, commissions, and taxes imposed in this Part are in lieu of all other such licenses, sales, excise and occupational taxes to the state or to any parish, city, town, or other political subdivision thereof.

\* \* \*

§227. License fees, commissions, and taxes of this Part in lieu of all other such taxes

The license fees, commissions, and taxes imposed upon an offtrack wagering facility in this Part are in lieu of all other such licenses, sales, excise, and occupational taxes to the state or to any parish, city, town, municipality, or other political subdivision thereof.

Section 9. R.S. 12:425 is hereby amended and reenacted to read as follows:

§425. Taxation

Each cooperative shall pay annually, on or before the first day of July, to the department of revenue, a fee of ten dollars for each one hundred persons or fraction thereof to whom electricity is supplied within the state by it, but shall be exempt from all other excise and income taxes whatsoever.

Section 10. R.S. 22:2065 is hereby amended and reenacted to read as follows:

§2065. Tax exemption

The association shall be exempt from payment of all fees and all taxes levied by this state or any of its subdivisions except taxes levied on real or personal property.

Section 11. R.S. 33:4169(D) is hereby amended and reenacted to read as follows:

§4169. Collection contracts for sewerage service charges; access charges; enforcement procedures for delinquent charges

\* \* \*

D. Any municipal corporation, parish, or sewerage or water district shall have the power to execute and enter into a contract with any private company for the construction of sewerage or wastewater

treatment facilities and for the operation of such facilities. Any such private company shall have in its construction and operation of such facilities the same ad valorem and sales tax liability exemption as the municipal corporation, parish, or sewerage or water district with which it contracts for such purpose.

\* \* \*

Section 12. R.S. 40:582.7(introductory paragraph) is hereby amended and reenacted to read as follows:

§582.7. Incentives

The governing authority and the Department of Revenue shall refund or cause to have refunded, in accordance with rules and regulations adopted by the governing authority and rules and regulations adopted by the Department of Revenue, to eligible persons those local and state sales and use taxes collected as a consequence of the purchase of materials used in the restoration, renovation, or rehabilitation of an existing structure or the construction of a new house and associated improvements in an approved housing development area provided:

\* \* \*

Section 13. R.S. 47:301(3), (6) through (10), (13) through (16), (18), and (27), 302(R)(2) and (3), (S), and (T), 305(A)(2), (4)(a), (5) and (6), (D)(1)(b) through (d), (f) through (i), and (u), (2)(a)(introductory paragraph), (F), and (I), 305.1(A) and (B), 305.6 through 305.9, 305.13, 305.14(A)(1), 305.16, 305.17, 305.18(A), 305.19, 305.20(C), 305.25(A)(introductory paragraph), 305.26, 305.28(A), 305.33, 305.37(A), 305.40(A)(introductory paragraph), 305.41, 305.42, 305.43(A), 305.44(A), 305.45(A)(introductory paragraph), 305.47, 305.49, 305.50(A)(1) and (2)(a), (B), (E), and (F), 305.51(A), 305.54(B)(1), 305.57(A), 305.58(A)(1), 305.59, 305.61(A), 305.62(B)(1), 305.63, 305.64(A)(1), 305.65(A), 305.66(A), 305.67, 305.68, 305.70, 305.71, 318(A), 321(H), (I), (J), and (K), 331(P)(3) and (4), (Q) and (R), and 6001(A) are hereby amended and reenacted to read as follows:

§301. Definitions

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

\* \* \*

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

(b) In the case of tangible personal property which has acquired a tax situs in a taxing jurisdiction and is thereafter transported outside the taxing jurisdiction for repairs performed outside the taxing jurisdiction and is thereafter returned to the taxing jurisdiction, the cost price shall be deemed to be the actual cost of any parts and/or materials used in performing such repairs, if applicable labor charges are separately stated on the invoice. If the applicable labor charges are not separately stated on the invoice, it shall be presumed that the cost price is the total charge reflected on the invoice.

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

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

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

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

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

(ii)(aa) For purposes of this Paragraph, "interchangeable component" means a component that is used or stored for use in measurement-while-drilling instruments or systems manufactured or assembled by the taxpayer, which measurement-while-drilling instruments or systems collectively generate eighty percent or more of their annual revenue from their use outside of the state.

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

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

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

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

(g) "Cost price", for purposes of the use tax imposed by the state and its political subdivisions, shall exclude any amount that a manufacturer pays directly to a dealer of the manufacturer's product for the purpose of reducing and that actually results in an equivalent reduction in the retail "cost price" of that product. This exclusion shall not apply to the value of the coupons that dealers accept from purchasers as part payment of the "sales price" and that are

redeemable by the dealers through manufacturers or their agents. The value of such coupons is deemed to be part of the "cost price" of the product purchased through the use of the coupons.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(ccc) Machinery and equipment used to test or measure raw materials, the property undergoing manufacturing or the finished

product, when such test or measurement is a necessary part of the manufacturing process.

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

(eee) Machinery and equipment used primarily to produce a news publication whether it is ultimately sold at retail or for resale or at no cost. Such machinery and equipment shall include but not be limited to all machinery and equipment used primarily in composing, creating, and other prepress operations, electronic transmission of pages from prepress to press, pressroom operations, and mailroom operations and assembly activities. The term "news publication" shall mean any publication issued daily or regularly at average intervals not exceeding three months, which contains reports of varied character, such as political, social, cultural, sports, moral, religious, or subjects of general public interest, and advertising supplements and any other printed matter ultimately distributed with or a part of such publications.

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

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

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

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

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

(bb) "Manufacturer" means:

(I) A person whose principal activity is manufacturing, as defined in this Subparagraph, and who is assigned by the Louisiana Workforce Commission a North American Industrial Classification System code within the agricultural, forestry, fishing, and hunting Sector 11, the manufacturing Sectors 31-33, the information Sector 511110 as they existed in 2002, or industry code 423930 as a recyclable material merchant wholesaler engaged in manufacturing activities, which must include shredding facilities, as determined by the secretary of the Department of Revenue.

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

(cc) "Manufacturing" means putting raw materials through a series of steps that brings about a change in their composition or physical nature in order to make a new and different item of tangible personal property that will be sold to another. Manufacturing begins at the point at which raw materials reach the first machine or piece

of equipment involved in changing the form of the material and ends at the point at which manufacturing has altered the material to its completed form. Placing materials into containers, packages, or wrapping in which they are sold to the ultimate consumer is part of this manufacturing process. Manufacturing, for purposes of this Subparagraph, does not include any of the following:

(I) Repackaging or redistributing.

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

(III) The storage of tangible personal property.

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

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

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

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

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

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

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

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

(j) For the purpose of the sales and use taxes imposed by the state or any political subdivision whose boundaries are coterminous with those of the state, the "cost price" of electric power or energy, or natural gas for the period beginning July 1, 2007 and thereafter, purchased or used by paper or wood products manufacturing facilities shall not include any of such cost.

(k)(i) For purposes of the imposition of the sales and use tax levied by the state or any political subdivision whose boundaries are coterminous with those of the state, the tax on the cost price of tangible property consumed in the manufacturing process, such as fuses, belts, felts, wires, conveyor belts, lubricants, and motor oils and the tax on the cost price of repairs and maintenance of manufacturing machinery and equipment shall be reduced as follows:

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

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

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

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

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

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(6)(a) "Hotel" means and includes any establishment engaged in the business of furnishing sleeping rooms, cottages, or cabins to transient guests, where such establishment consists of six or more sleeping rooms, cottages, or cabins at a single business location.

(b) For purposes of the sales and use taxes of all tax authorities in this state, the term "hotel" as defined herein shall not include camp and retreat facilities owned and operated by nonprofit organizations exempt from federal income tax under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3) of the Internal Revenue Code provided that the net revenue derived from the organizations's property is devoted wholly to the nonprofit organization's purposes. However, for purposes of this Paragraph, the term "hotel" shall include camp and retreat facilities which shall sell rooms or other accommodations to transient guests who are not attending a function of such nonprofit organization that owns and operates the camp and retreat facilities or a function of another nonprofit organization exempt from federal income tax under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3) of the Internal Revenue Code. It is the intention of the legislature to tax the furnishing of rooms to those who merely purchase lodging at such facilities.

(c) For purposes of the sales and use taxes of all tax authorities in this state, the term "hotel", as defined herein, shall not include a temporary lodging facility which is operated by a nonprofit organization described in Section 501(c)(3) of the Internal Revenue Code, provided that the facility is devoted exclusively to the temporary housing, for periods no longer than thirty days' duration, of homeless transient persons whom the organization determines to be financially incapable of engaging lodging at a facility defined by Subparagraph (a) of this Paragraph, and further provided that the lodging charge to such persons is no greater than twenty dollars per day.

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

(b) The term "lease or rental", however, as herein defined, shall not mean or include the lease or rental made for the purposes of re-lease or re-rental of casing tools and pipe, drill pipe, tubing, compressors, tanks, pumps, power units, other drilling or related equipment used in connection with the operating, drilling, completion, or reworking of oil, gas, sulphur, or other mineral wells.

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

(d) The term "lease or rental", as herein defined, shall not mean the lease or rental of airplanes or airplane equipment by a commuter airline domiciled in Louisiana.

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

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

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

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

(i) For purposes of sales and use taxes levied and imposed by local governmental subdivisions, school boards, and other political subdivisions whose boundaries are not coterminous with those of the state, "lease or rental" by a person shall not mean or include the lease or rental of tangible personal property if such lease or rental is made under the provisions of Medicare.

(j) Solely for purposes of the sales and use tax levied by the state or any political subdivision whose boundaries are coterminous with those of the state, the term "lease or rental" shall not include the lease or rental in this state of manufacturing machinery and equipment used or consumed in this state to manufacture, produce, or extract unblended biodiesel.

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

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

(l)(i) For purposes of the sales and use tax levied by all tax authorities in this state, the term "lease or rental" shall not apply to leases or rentals of pallets which are used in packaging products produced by a manufacturer.

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

(8)(a) "Person", except as provided in Subparagraph (c), includes any individual, firm, copartnership, joint adventure,

association, corporation, estate, trust, business trust, receiver, syndicate, this state, any parish, city and parish, municipality, district or other political subdivision thereof or any board, agency, instrumentality, or other group or combination acting as a unit, and the plural as well as the singular number.

(b) Solely for purposes of the payment of state sales or use tax on the lease or rental or the purchase of tangible personal property or services, "person" shall not include a regionally accredited independent institution of higher education which is a member of the Louisiana Association of Independent Colleges and Universities, if such lease or rental or purchase is directly related to the educational mission of such institution. However, the term "person" shall include such institution for purposes of the payment of tax on sales by such institution if the sales are not otherwise exempt.

(c)(i) For purposes of the payment of the state sales and use tax and the sales and use tax levied by any political subdivision, "person" shall not include this state, any parish, city and parish, municipality, district, or other political subdivision thereof, or any agency, board, commission, or instrumentality of this state or its political subdivisions.

(ii) Upon request by any political subdivision for an exemption identification number, the Department of Revenue shall issue such number. The secretary may promulgate rules and regulations in accordance with the Administrative Procedure Act to carry out the provisions of this Item.

(d)(i) For purposes of the payment of the state sales and use tax and the sales and use tax levied by any political subdivision, the term "person" shall not include a church or synagogue that is recognized by the United States Internal Revenue Service as entitled to exemption under Section 501(c)(3) of the United States Internal Revenue Code.

(ii) The secretary of the Department of Revenue shall promulgate rules and regulations defining the terms "church" and "synagogue" for purposes of this exclusion. The definitions shall be consistent with the criteria established by the U.S. Internal Revenue Service in identifying organizations that qualify for church status for federal income tax purposes.

(iii) No church or synagogue shall claim exemption or exclusion from the state sales and use tax or the sales and use tax levied by any political subdivision before having obtained a certificate of authorization from the secretary of the Department of Revenue. The secretary shall develop applications for such certificates. The certificates shall be issued without charge to the institutions that qualify.

(iv) The exclusion from the sales and use tax authorized by this Subparagraph shall apply only to purchases of bibles, song books, or literature used for religious instruction classes.

(e)(i) For purposes of the payment of the state sales and use tax and the sales and use tax levied by any political subdivision, the term "person" shall not include the Society of the Little Sisters of the Poor.

(ii) The secretary of the Department of Revenue shall promulgate rules and regulations for purposes of this exclusion. The definitions shall be consistent with the criteria established by the U.S. Internal Revenue Service in identifying tax-exempt status for federal income tax purposes.

(iii) No member of the Society of the Little Sisters of the Poor shall claim exemption or exclusion from the state sales and use tax or the sales and use tax levied by any political subdivision before having obtained a certificate of authorization from the secretary of the Department of Revenue. The secretary shall develop applications for such certificates. The certificates shall be issued without charge to the entities which qualify.

(f)(i) For purposes of the payment of sales and use tax levied by this state and any political subdivision whose boundaries are coterminous with those of the state, the term "person" shall not include a nonprofit entity which sells donated goods and spends seventy-five percent or more of its revenues on directly employing or training for employment persons with disabilities or workplace disadvantages.

(ii) The secretary shall promulgate rules and regulations for the use of exclusion certificates for purposes of implementation of this Subparagraph. Each nonprofit entity electing to utilize the exclusion provided for in this Subparagraph shall apply for an exclusion certificate annually. Any exclusion certificate granted by the Department of Revenue shall be effective for a one-year period.

(iii) The secretary shall provide forms for nonprofit entities to request an exclusion certificate.

(9) "Purchaser" means and includes any person who acquires or receives any tangible personal property, or the privilege of using any tangible personal property, or receives any services pursuant to a transaction subject to tax under this Chapter.

(10)(a)(i) Solely for the purposes of the imposition of the state sales and use tax, "retail sale" or "sale at retail" means a sale to a consumer or to any other person for any purpose other than for resale as tangible personal property, or for the lease of automobiles in an arm's length transaction, and shall mean and include all such transactions as the secretary, upon investigation, finds to be in lieu of sales; provided that sales for resale or for lease of automobiles in an arm's length transaction must be made in strict compliance with the rules and regulations. Any dealer making a sale for resale or for the lease of automobiles, which is not in strict compliance with the rules and regulations, shall himself be liable for and pay the tax.

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

(iii) "Retail sale" or "sale at retail" for purposes of sales and use taxes imposed by the state tax on transactions involving the sale for rental of automobiles which take place on or after January 1, 1991, and by political subdivisions on such transactions on or after July 1, 1996, and state sales and use taxes imposed tax on transactions involving the lease or rental of tangible personal property other than automobiles which take place on or after July 1, 1991, means a sale to a consumer or to any other person for any purpose other than for resale as tangible personal property, or for lease or rental in an arm's length transaction in the form of tangible personal property, and shall mean and include all such transactions as the secretary, upon investigation, finds to be in lieu of sales; provided that sales for resale or for lease or rental in an arm's length transaction must be made in strict compliance with the rules and regulations. Any dealer making a sale for resale or for lease or rental, which is not in strict compliance with the rules and regulations, shall himself be liable for

and pay the tax. For purposes of the imposition of the tax imposed by any political subdivision of the state, for the period beginning on July 1, 1999, and ending on June 30, 2000, the term "retail sale" or "sale at retail" shall not include one-fourth of the sales price of any tangible personal property which is sold in order to be leased or rented in an arm's length transaction in the form of tangible personal property. For purposes of the imposition of the tax imposed by any political subdivision of the state, for the period beginning on July 1, 2000, and ending on June 30, 2001, the term "retail sale" or "sale at retail" shall not include one-half of the sales price of any tangible personal property which is sold in order to be leased or rented in an arm's length transaction in the form of tangible personal property. For purposes of the imposition of the tax imposed by any political subdivision of the state, for the period beginning on July 1, 2001, and ending on June 30, 2002, the term "retail sale" or "sale at retail" shall not include three-fourths of the sales price of any tangible personal property which is sold in order to be leased or rented in an arm's length transaction in the form of tangible personal property. Beginning July 1, 2002, for the purposes of imposition of the tax levied by any political subdivision of the state, the term "retail sale" or "sale at retail" shall not include the sale of any tangible personal property which is sold in order to be leased or rented in an arm's length transaction in the form of tangible personal property.

(iv) "Retail sale" or "sale at retail", for purposes of sales and use taxes imposed by the state on transactions involving the sale for rental of automobiles which take place prior to January 1, 1991, and by political subdivisions on such transactions prior to July 1, 1996, and imposed on transactions involving the lease or rental of tangible personal property other than autos which take place prior to July 1, 1991, and for purposes of local sales and use taxes levied by political subdivisions except for transactions involving the sale for rental of automobiles on or after July 1, 1996, means a sale to a consumer or to any other person for any purpose other than for resale in the form of tangible personal property, and shall mean and include all such transactions as the secretary, upon investigation, finds to be in lieu of sales; provided that sales for resale must be made in strict compliance with the rules and regulations. Any dealer making a sale for resale, which is not in strict compliance with the rules and regulations, shall himself be liable for and pay the tax. However, contrary provisions of law notwithstanding, any political subdivision may, by ordinance, adopt the definition of "retail sale" or "sale at retail" provided in Item (iii) of this Subparagraph for purposes of the imposition of its sales and use tax.

(v) Became null and void on June 30, 2006.

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

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

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

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

(bb) Solely for purposes of the sales and use tax levied by the state, natural gas when used in the production of iron in the process known as the "direct reduced iron process" is not a catalyst and is recognized by the legislature to be a material for further processing into an article of tangible personal property for sale at retail.

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

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

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

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

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

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

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

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

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

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

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

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

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

(m) For purposes of sales and use taxes imposed or levied by the state or any political subdivision, the term "sale at retail" shall not include the sales of Louisiana-manufactured or Louisiana-assembled passenger aircraft with a maximum capacity of eight persons, if, after all transportation, including transportation by the purchaser, has been completed, the aircraft is ultimately received by the purchaser outside of Louisiana. The place at which the aircraft is ultimately received shall be considered as the place at which the aircraft is stored after all transportation has been completed.

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

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

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

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

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

(ii) The sale to approved parochial and private elementary and secondary schools which comply with the court order from the Dodd

Brumfield decision and Section 501(c)(3) of the Internal Revenue Code of educational materials or equipment used for classroom instruction limited to books, workbooks, computers, computer software, films, videos, and audio tapes.

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

(s) The term "sale at retail" or "retail sale", for purposes of sales and use taxes imposed by the state or any political subdivision or other taxing entity, shall not include any charge, fee, money, or other consideration received, given, or paid for the performance of funeral directing services. For purposes of this Subparagraph, "funeral directing services" means the operation of a funeral home, or by way of illustration and not limitation, any service whatsoever connected with the management of funerals, or the supervision of hearses or funeral cars, the cleaning or dressing of dead human bodies for burial, and the performance or supervision of any service or act connected with the management of funerals from time of death until the body or bodies are delivered to the cemetery, crematorium, or other agent for the purpose of disposition. However, such services shall not mean or include the sale, lease, rental, or use of any tangible personal property as those terms are defined in this Section.

(t) For purposes of sales and use taxes levied by the state or any political subdivision of the state, the term "sale at retail" shall not include the transfer of title to or possession of telephone directories by an advertising company that is not affiliated with a provider of telephone services if the telephone directories will be distributed free of charge to the recipients of the telephone directories.

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

(v) For purposes of the imposition of sales and use taxes imposed or levied by all taxing authorities in the state, in the case of the sale or other disposition by a dealer of any cellular, PCS, or wireless telephone, or any electronic accessories that are physically connected with such telephones and personal communication devices used in connection with the sale or use of mobile telecommunications services, the term "retail sale" or "sale at retail" shall mean and include the sale or any other disposition of such cellular, PCS, or wireless telephone, any electronic accessories that are physically connected with such telephones and personal communication devices by the dealer to the purchaser, but shall not mean or include the withdrawal, use, distribution, consumption, storage, donation, or any other disposition of any such cellular, PCS, or wireless telephone, any electronic accessories that are physically connected with such telephones, and personal communication devices by the dealer.

(w) For purposes of the imposition of sales and use taxes imposed or levied by any political subdivision of the state, in the case of the sale or other disposition by a dealer of any cellular telephone, PCS telephone, wireless telephone, or other wireless personal communication device that is used in connection with the sale or use of mobile telecommunications services, or any electronic accessory that is physically connected with any such telephone or personal communication device, the term "retail sale" or "sale at retail" shall mean and include the sale or any other disposition of any such telephone, other personal communication device, or electronic accessory.

(x) For purposes of the sales and use tax imposed by the state or any political subdivision whose boundaries are coterminous with

those of the state, the terms "retail sale" or "sale at retail" shall not include the following:

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

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

(y)(i) Solely for the purposes of sales and use taxes levied by the state or any political subdivision whose boundaries are coterminous with those of the state, the term "sale at retail" shall not include the sale of manufacturing machinery and equipment used or consumed in this state to manufacture, produce, or extract unblended biodiesel.

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

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

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

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

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

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

(iii) A certificate of exclusion shall be obtained from the secretary or the tax collector of the political subdivision, under such regulations as he shall prescribe, in order for nonprofit organizations to qualify for the exclusion provided for in this Subparagraph.

(bb) For purposes of sales and use taxes imposed or levied by the state, the terms "retail sale" and "sale at retail" shall not include sales of natural gas to be held, used, or consumed in providing natural gas storage services or operating natural gas storage facilities.

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

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

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

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

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

(ee)(i) Solely for the purposes of the imposition of the state sales and use tax, the term "retail sale" and "sale at retail" shall not include the sale of any storm shutter device.

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

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

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

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

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

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

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

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

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

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

(e) The term "sales price", for purposes of the sales tax imposed by the state and its political subdivisions, shall exclude any amount that a manufacturer pays directly to a dealer of the manufacturer's product for the purpose of reducing and that actually results in an equivalent reduction in the retail "sales price" of that product. This exclusion shall not apply to the value of the manufacturer's coupons that dealers accept from purchasers as part payment of the "sales price" and that are redeemable by the dealers through manufacturers or their agents. The value of such coupons is deemed to be part of the "sales price" of the product purchased through the use of the coupons.

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

(g) For purposes of the imposition of sales and use taxes imposed or levied by all taxing authorities in the state, in the case of the retail sale by a dealer of any cellular, PCS, or wireless telephone, any electronic accessories that are physically connected with such telephones and personal communications devices used in connection with the sale or use of mobile telecommunications services, as

defined in R.S. 47:301(10)(v), the term "sales price" shall mean and include only the amount of money, if any, actually received by the dealer from the purchaser for each such cellular, PCS, or wireless telephone and any electronic accessories that are physically connected with such telephones and personal communication devices, but shall not include (i) any amount received by the dealer from the purchaser for providing mobile telecommunications services, or (ii) any commissions, fees, rebates, or other amounts received by the dealer from any source other than the purchaser as a result of or in connection with the sale of the cellular, PCS, or wireless telephone, any electronic accessories that are physically connected with such telephones and personal communication devices.

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

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

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

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

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

(j) For the purpose of the imposition of sales and use tax imposed or levied by any political subdivision of the state, in the case of any retail sale or sale at retail, of any cellular telephone, PCS telephone, or wireless telephone used in connection with the sale or use of mobile telecommunications services, as defined in R.S. 47:301(10)(w), or any electronic accessory that is physically connected with any such telephone or personal communication device, the term "sales price" shall mean and include the greater of (i) the amount of money, if any, actually received by the dealer from the purchaser at the time of the retail sale or sale at retail by the dealer to the purchaser for each such telephone, personal communication device, or electronic accessory, or (ii) twenty-five percent of the cost of such telephone to the dealer, but shall not include any amount received by the dealer from the purchaser for providing mobile telecommunications services or any commissions, fees, rebates, activation charges, or other amounts received by the dealer from any source other than the purchaser as a result of or in connection with the sale of the telephone.

(k)(i) For purposes of the imposition of the sales tax levied by the state and any political subdivision whose boundaries are coterminous with those of the state, the sales price of machinery and equipment purchased by a manufacturer for use in a plant facility predominately and directly in the actual manufacturing for agricultural purposes or the actual manufacturing process of an item of tangible personal property, which is for ultimate sale to another

and not for internal use, at one or more fixed locations within Louisiana shall be reduced as follows:

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

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

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

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

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

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

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

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

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

(l)(i) For purposes of the payment of the state sales and use tax and the sales and use tax levied by any political subdivision, the term "sales price" shall not include the price of specialty items sold to members for fund-raising purposes by nonprofit carnival organizations domiciled within Louisiana and participating in a parade sponsored by a carnival organization.

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

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

(m) For purposes of the sales and use tax imposed by the state or any political subdivision whose boundaries are coterminous with those of the state, the "sales price" of electric power or energy, or natural gas for the period beginning July 1, 2007, and thereafter, sold for use by paper or wood products manufacturing facilities shall not include any of such price.

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

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

(b)(i) The sale of admissions to places of amusement, to athletic entertainment other than that of schools, colleges, and universities, and recreational events, and the furnishing, for dues, fees, or other consideration of the privilege of access to clubs or the privilege of having access to or the use of amusement, entertainment, athletic, or

recreational facilities; but, the term "sales of services" shall not include membership fees or dues of nonprofit, civic organizations, including by way of illustration and not of limitation the Young Men's Christian Association, the Catholic Youth Organization, and the Young Women's Christian Association.

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

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

(bb) Care for those objects.

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

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

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

(bb) Aquariums and zoological parks.

(cc) Botanical gardens and arboretums.

(dd) Nature centers.

(ee) Planetariums.

(iv) For purposes of the sales and use taxes of all tax authorities in the state, the term "places of amusement" as used herein shall not include camp and retreat facilities owned and operated by nonprofit organizations exempt from federal income tax under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3) of the Internal Revenue Code provided that the net revenue derived from the organization's property is devoted wholly to the nonprofit organization's purposes.

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

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

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

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

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

(bb)(I) For purposes of the sales and use tax levied by the state and by tax authorities in East Feliciana Parish, charges for the furnishing of repairs to tangible personal property shall be excluded from sales of services, as defined in this Subparagraph, when the repaired property is (1) delivered to a common carrier or to the

United States Post Office for transportation outside the state, or (2) delivered outside the state by use of the repair dealer's own vehicle or by use of an independent trucker. However, as to aircraft, delivery may be by the best available means. This exclusion shall not apply to sales and use taxes levied by any other parish, municipality or school board. However, any other parish, municipality or school board may apply the exclusion as defined in this Subparagraph to sales or use taxes levied by any such parish, municipality, or school board. Offshore areas shall not be considered another state for the purpose of this Subparagraph.

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

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

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

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

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

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

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

(k) For purposes of sales and use tax imposed by the state, any political subdivision whose boundaries are coterminous with those of the state, or any other political subdivision, the term "sales of services" shall not mean or include admission charges for, outside gate admissions to, or parking fees associated with an event

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

(15) "Storage" means and includes any keeping or retention in the taxing jurisdiction of tangible personal property for use or consumption within the taxing jurisdiction or for any purpose other than for sale at retail in the regular course of business.

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

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

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

(ii) Gold, silver, or numismatic coins, or platinum, gold, or silver bullion.

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

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

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

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

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

(bb) The customer's billing address.

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

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

(e) The term "tangible personal property" shall not include work products which are written on paper, stored on magnetic or optical media, or transmitted by electronic device, when such work

products are created in the normal course of business by any person licensed or regulated by the provisions of Title 37 of the Louisiana Revised Statutes of 1950, unless such work products are duplicated without modification for sale to multiple purchasers. This exclusion shall not apply to work products which consist of the creation, modification, updating, or licensing of computer software.

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

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

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

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

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

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

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

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

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

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

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

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

property" shall not include three-quarters of the cost price of custom computer software.

(iv) Solely for purposes of the imposition of the sales and use tax levied by the state or any political subdivision whose boundaries are coterminous with those of the state, for all taxable periods beginning on or after July 1, 2005, the term "tangible personal property" shall not include custom computer software.

(i) Solely for purposes of the imposition of the state sales and use tax, the term "tangible personal property" shall not include digital television conversion equipment and digital radio conversion equipment as defined in this Section.

(i) "Digital television conversion equipment" shall include the following:

(aa) DTV transmitter and RF system.

(bb) Transmission line.

(cc) DTV antenna.

(dd) Tower.

(ee) Existing tower structural upgrade.

(ff) Advanced TV receiver (STL receiver).

(gg) Decoder (digital to analog converter for NTSC).

(hh) DTV transmission system test and monitoring.

(ii) Digital video/audio master control switcher.

(jj) Analog to digital conversion.

(kk) High definition up-converters.

(ll) High definition bypass switcher.

(mm) Down converters for standard definition.

(nn) Advanced TV transmitter (STL transmitter).

(oo) Advanced TV signal encoder.

(pp) DTV transmission monitoring.

(qq) High definition digital video switcher and DVE.

(rr) High definition studio cameras.

(ss) High definition graphics/graphic generator.

(tt) High definition video monitoring.

(uu) Conversion gear.

(vv) High definition recorder/players, including tape, disk, etc.

(ww) High definition video/audio signal router.

(xx) High definition video/audio media server.

(yy) MPEG or HDTV digital receivers for program content.

(zz) High definition recorder/players, including tape, disk, etc.

(aaa) High definition video/audio media server and workstations.

- (bbb) Digital EAS encoder/decoder.
- (ccc) High definition camcorder, including tape, disk, etc.
- (ddd) Advanced TV transmitters, including microwave.
- (ii) "Digital radio conversion equipment" shall include the following:
  - (aa) IBOC transmitter.
  - (bb) IBOC main channel and IBOC combiner.
  - (cc) IBOC compatible antenna.
  - (dd) Tower.
  - (ee) IBOC coaxial bypass switcher.
  - (ff) Digital STL.
  - (gg) STL heliix transmission line.
  - (hh) STL antenna.
  - (ii) Digital console.
  - (jj) EAS insertion.
  - (kk) AES EBU conversion equipment.
- (ll) IBOL transmission testing and monitoring equipment.
- (mm) Digital processor.
- (iii) The exclusion from state sales and use tax authorized by this Subparagraph shall only apply to the first purchase of each enumerated item by an individual taxpayer who holds a Federal Communications Commission license issued pursuant to 47 CFR Part 73. Individual taxpayers operating under several broadcaster licenses shall be allowed one purchase of each enumerated item per license. Each subsequent purchase of any of the enumerated items by the same taxpayer or license holder shall be subject to sales and use tax.
- (iv) Repealed by Acts 2005, No. 243, §1, eff. June 29, 2005.
- (v) Any eligible taxpayer who has purchased any item enumerated in Item (i) or (ii) of this Subparagraph subsequent to January 1, 1999, but prior to the effective date of this Act, shall be entitled to a credit against the state sales and use tax due in any year for an amount equal to state sales and use tax paid on the purchase of the item.
- (vi) Local taxing authorities are hereby authorized to provide an exemption from any local sales and use tax liability to any taxpayers holding a Federal Communications Commission license issued pursuant to 47 CFR Part 73 which has purchased any of the equipment listed in Item (i) or (ii) of this Subparagraph. Local taxing authorities are further authorized to provide a credit against any tax liability for the amount of local sales tax paid by taxpayers holding Federal Communications Commission licenses issued pursuant to 47 CFR Part 73 on any equipment listed in Item (i) or (ii) of the Subparagraph purchased subsequent to January 1, 1999, but prior to June 25, 2002.
- (vii) No exclusion from state sales and use tax as authorized in this Subsection shall be allowed after the Federal Communications Commission has issued an order mandating license holders, issued pursuant to 47 CFR Part 73, to discontinue broadcasting their analog signal.

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

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

(k) The term "tangible personal property" for purposes of the sales and use taxes imposed by all tax authorities in this state shall not include apheresis kits and leuko reduction filters used by nonprofit blood banks and nonprofit blood collection centers.

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

(m)(i) Notwithstanding any other provision of law to the contrary, for purposes of the sales and use tax levied by the state or any political subdivision whose boundaries are coterminous with those of the state, the term "tangible personal property" shall not include machinery and equipment used by a motor vehicle manufacturer with a North American Industry Classification System (NAICS) Code beginning with 3361, or by a glass container manufacturer with a NAICS Code of 327213. This exclusion shall be subject to the definitions and requirements of Item (3)(i)(ii) of this Section.

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

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

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

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

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

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

(o)(i) For purposes of the imposition of the sales and use tax levied by the state and any political subdivision whose boundaries are coterminous with those of the state, the term "tangible personal property" shall not include machinery and equipment as defined in

and subject to the requirements of R.S. 47:301(3)(i)(ii) which is purchased by a utility regulated by the Public Service Commission or the council of the City of New Orleans. For the purposes of this Paragraph, the term "utility" shall mean a person regulated by the Public Service Commission or the council of the City of New Orleans who is assigned a North American Industrial Classification System Code 22111, Electric Power Generation, as it existed in 2002. Such utility shall also be considered a "manufacturer" for purposes of R.S. 47:301(3)(i)(ii).

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

(p) For purposes of sales and use taxes imposed by the state or any of its political subdivisions, the term "tangible personal property" shall not include newspapers.

(q) For purposes of sales and use taxes imposed by the state, any statewide taxing authority, or any political subdivision, the term "tangible personal property" shall not include any property that would have been considered immovable property prior to the enactment on July 1, 2008, of Act No. 632 of the 2008 Regular Session of the Legislature.

\* \* \*

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

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

(iii) The term "use", for purposes of sales and use taxes imposed by the state on the use for rental of automobiles which take place on or after January 1, 1991, and by political subdivisions on such use on or after July 1, 1996, and state sales and use taxes imposed on the use for lease or rental of tangible personal property other than automobiles which take place on or after July 1, 1991, shall not include the purchase, the importation, the consumption, the distribution, or the storage of tangible personal property to be leased or rented in an arm's length transaction as tangible personal property. For purposes of the imposition of the tax levied by any political subdivision of the state, for the period beginning July 1, 1999, and ending on June 30, 2000, the term "use" shall not include one-fourth of the cost price of any tangible personal property which is purchased, imported, consumed, distributed, or stored and which is

to be leased or rented in an arm's length transaction in the form of tangible personal property. For purposes of the imposition of the tax levied by any political subdivision of the state, for the period beginning July 1, 2000, and ending on June 30, 2001, the term "use" shall not include one-half of the cost price of any tangible personal property which is purchased, imported, consumed, distributed, or stored and which is to be leased or rented in an arm's length transaction in the form of tangible personal property. For purposes of the imposition of the tax levied by any political subdivision of the state, for the period beginning July 1, 2001, and ending on June 30, 2002, the term "use" shall not include three-fourths of the cost price of any tangible personal property which is purchased, imported, consumed, distributed, or stored and which is to be leased or rented in an arm's length transaction in the form of tangible personal property. Beginning July 1, 2002, for purposes of the imposition of the tax levied by any political subdivision of the state, the term "use" shall not include the purchase, the importation, the consumption, the distribution, or the storage of any tangible personal property which is to be leased or rented in an arm's length transaction in the form of tangible personal property.

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

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

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

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

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

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

(ii) Except as provided in Item (iii) of this Subparagraph for refinery gas, for purposes of state and political subdivision use tax, "use" shall not include the storage, consumption, or the exercise of any other right of ownership over tangible personal property which is created or derived as a residue or byproduct of such processing. Such residue or byproduct shall include but shall not be limited to catalyst cracker coke derived from crude oil, wood chips, bark, and liquor derived from the processing of sawlogs or pulpwood timber, or bagasse derived from sugarcane.

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

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

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

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

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

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

(h) For purposes of sales and use taxes levied by the state or any political subdivision of the state, the term "use" shall not include the exercise of any right of ownership in or the distribution of telephone directories acquired by an advertising company that is not affiliated with a provider of telephone services if the telephone directories will be distributed free of charge to the recipients of the telephone directories.

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

(j) For purposes of the imposition of sales and use taxes imposed or levied by any political subdivision of the state, in the case of the sale or any other disposition by a dealer of any cellular telephone, PCS telephone, wireless telephone, or other wireless personal communication device that is used in connection with the

sale or use of mobile telecommunications services, as defined in R.S. 47:301(10)(w), or any electronic accessory that is physically connected with any such telephone or personal communications device, the term "use" shall not include the withdrawal, use, distribution, consumption, storage, donation, or any other disposition of any such telephone or electronic accessory by the dealer.

(k) Solely for purposes of the sales and use tax levied by the state or any political subdivision whose boundaries are coterminous with those of the state, the term "use" shall not include the purchase, the use, the consumption, the distribution, the storage for use or consumption, or the exercise of any right or power over manufacturing machinery and equipment used or consumed in this state to manufacture, produce or extract unblended biodiesel.

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

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

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

(n) For purposes of sales and use tax imposed by the state or any political subdivision of the state, the term "use" shall not mean or include the purchase, importation, storage, distribution, or exportation of, or exercise of any right or power over, textbooks and course-related software by a private postsecondary academic degree-granting institution, accredited by a national or regional commission that is recognized by the United States Department of Education and is licensed by the Board of Regents, which institution has its main location within this state and offers only online instruction, when all of the following apply:

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

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

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

(o) Solely for purposes of the imposition of the state sales and use tax, the term "use" shall not include the purchase or use of any storm shutter device as defined and provided for in Subparagraph (10)(ee) of this Section.

(p) For purposes of sales and use tax imposed by the state or any political subdivision of the state, the term "use" shall not mean or include the purchase, importation, storage, distribution or exercise of any right or power over anthropogenic carbon dioxide used in a qualified tertiary recovery project approved by the assistant secretary

of the office of conservation of the Department of Natural Resources pursuant to R.S. 47:633.4.

\* \* \*

(27) "Tax", "sales and use tax", and "sales tax" shall mean the sales and use tax imposed by the state pursuant to the provisions of this Chapter and Chapter 2-A and 2-B of this Subtitle and the tax imposed by political subdivisions under the constitution or laws of this state authorizing the imposition of a sales and use tax.

\* \* \*

§302. Imposition of tax

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R.

\* \* \*

(2) Notwithstanding any other provision of law to the contrary, including but not limited to any contrary provisions of this Chapter, the exemption provided for in R.S. 47:305(A)(2) and 305.25(A)(3) shall be applicable, operable, and effective from July 1, 2007.

(3) Notwithstanding any other provision of law to the contrary which makes any sales and use tax exemption inapplicable, inoperable, and of no effect, the exemption provided in R.S. 47:305(D)(2) shall be applicable, operable, and effective from January 1, 1998.

S. Notwithstanding any other provision of law to the contrary and specifically notwithstanding any provision enacted during the 2004 First Extraordinary Session which makes any sales and use tax exemption inapplicable, inoperable, and of no effect, the exemption provided in R.S. 47:305.51 shall be applicable, operable, and effective for all taxable periods beginning on or after July 1, 2007.

T. Notwithstanding any other provision of law to the contrary and specifically notwithstanding any provision enacted to make any sales and use tax exemption inapplicable, inoperable, and of no effect, the exemption provided in R.S. 47:305(A)(5)(b) shall be applicable, operable, and effective from July 1, 2009.

\* \* \*

§305. Exclusions and exemptions from the tax

A.

\* \* \*

(2) The gross proceeds derived from the sale in this state of livestock at public sales sponsored by breeders' or registry associations or livestock auction markets are exempted from the sales and use tax levied by the state only. When public sales of livestock are made to consumers by any person other than through a public sale sponsored by a breeders' or registry association or a livestock auction market, they are not exempted from the sales and use tax imposed by the state. This Section shall be construed as exempting race horses entered in races and claimed at any racing meet held in Louisiana, whether the horse claimed was owned by the original breeder or not.

\* \* \*

(4)(a) The purchase of feed and feed additives for the purpose of sustaining animals which are held primarily for commercial, business, or agricultural use shall be exempted from the taxes levied by taxing authorities.

\* \* \*

(5)(a) Solely for purposes of the sales and use tax levied by the state, such tax shall not apply to the sale or use of materials, supplies, equipment, fuel, and related items other than vessels used in the production or harvesting of crawfish. The person who purchases the exempt items shall claim the exemption by executing a certificate at the time of purchase. The Department of Revenue shall provide the certificates to retail merchants. Any merchant who in good faith, and after examination of the applicability of the certificate to that purchase with due care, neglects or fails to collect the tax herein provided, due to the presentation by the purchaser of a tax exemption certificate issued by the Department of Revenue, including those issued pursuant to R.S. 47:305.10, shall not be liable for the payment of the tax.

(b) Solely for purposes of the sales and use tax levied by the state, such tax shall not apply to the sale or use of bait and feed used in the production or harvesting of crawfish. The person who purchases the exempt items shall claim the exemption by executing a certificate at the time of purchase. The Department of Revenue shall provide the certificates to retail merchants. Any merchant who in good faith, and after examination of the applicability of the certificate to that purchase with due care, neglects or fails to collect the tax herein provided, due to the presentation by the purchaser of a tax exemption certificate issued by the Department of Revenue, including those issued pursuant to R.S. 47:305.10, shall not be liable for the payment of the tax.

(6) Solely for purposes of the sales and use tax levied by the state, such tax shall not apply to the sale or use of materials, supplies, equipment, fuel, bait, and related items other than vessels used in the production or harvesting of catfish. The person who purchases the exempt items shall claim the exemption by executing a certificate at the time of purchase. The Department of Revenue shall provide the certificates to retail merchants. Any merchant who in good faith, and after examination of the applicability of the certificate to that purchase with due care, neglects or fails to collect the tax herein provided, due to the presentation by the purchaser of a tax exemption certificate issued by the Department of Revenue, shall not be liable for the payment of the tax.

\* \* \*

D.(1) The sale at retail, the use, the consumption, the distribution, and the storage to be used or consumed in the taxing jurisdiction of the following tangible personal property is hereby specifically exempted from the tax imposed by taxing authorities, except as otherwise provided in this Paragraph:

\* \* \*

(b) Steam.

(c) Water (not including mineral water or carbonated water or any water put in bottles, jugs, or containers, all of which are not exempted).

(d) Electric power or energy and any materials or energy sources used to fuel the generation of electric power for resale or used by an industrial manufacturing plant for self-consumption or cogeneration.

\* \* \*

(f) Fertilizer and containers used for farm products when sold directly to the farmer.

(g) Natural gas.

(h) All energy sources when used for boiler fuel except refinery gas.

(i) New trucks, new automobiles, new aircraft, and new boats, vessels, or other water craft withdrawn from stock by factory authorized new truck, new automobile, new aircraft dealers, and factory-authorized dealers of new boats, vessels, or other water craft, and used trucks and used automobiles withdrawn from stock by new or used motor vehicle dealers, which are withdrawn for use as demonstrators.

\* \* \*

(u) Solely for purposes of the state sales and use tax, adaptive driving equipment and motor vehicle modifications prescribed for personal use by a physician, a licensed chiropractor, or a driver rehabilitation specialist licensed by the state.

(2)(a) Sales of meals furnished as follows shall be exempt:

\* \* \*

F. The sales, use and lease taxes imposed by taxing authorities shall not apply to the amounts paid by radio and television broadcasters for the right to exhibit or broadcast copyrighted material and the use of film, video or audio tapes, records or any other means supplied by licensors thereof in connection with such exhibition or broadcast and the sales and use tax shall not apply to licensors or distributors thereof.

\* \* \*

I. The sales and use taxes imposed by the state of Louisiana or any of its political subdivisions shall not apply to the labor, or sale of materials, services, and supplies, used for repairing, renovating or converting of any drilling rig, or machinery and equipment which are component parts thereof, which is used exclusively for the exploration or development of minerals outside the territorial limits of the state in Outer Continental Shelf waters. For the purposes of this Subsection, "drilling rig" means any unit or structure, along with its component parts, which is used primarily for drilling, workover, intervention or remediation of wells used for exploration or development of minerals. For purposes of this Subsection, "component parts" means any machinery or equipment necessary for a drilling rig to perform its exclusive function of exploration or development of minerals.

§305.1. Exclusions and exemptions; ships and ships' supplies

A. The tax imposed by taxing authorities shall not apply to sales of materials, equipment, and machinery which enter into and become component parts of ships, vessels, or barges, including commercial fishing vessels, drilling ships, or drilling barges, of fifty tons load displacement and over, built in Louisiana nor to the gross proceeds from the sale of such ships, vessels, or barges when sold by the builder thereof.

B. The taxes imposed by taxing authorities shall not apply to materials and supplies purchased by the owners or operators of ships, barges, or vessels, including drilling ships, operating exclusively in foreign or interstate coastwise commerce, where such materials and supplies are loaded upon any such ship, barge, or vessel for use or consumption in the maintenance and operation thereof; nor to repair services performed upon such ships, barges, or vessels operating exclusively in foreign or interstate coastwise commerce; nor to the materials and supplies used in such repairs where such materials and supplies enter into and become a component part of such ships, barges, or vessels; nor to laundry services performed for the owners or operators of such ships, barges, or vessels operating exclusively in foreign or interstate coastwise commerce, where the laundered articles are to be used in the course of the operation of such ships, barges, or vessels.

\* \* \*

§305.6. Exclusions and exemptions; Little Theater tickets

The sales tax imposed by taxing authorities shall not apply to the sale of admission tickets by Little Theater organizations.

§305.7. Exclusions and exemptions; tickets to musical performances of nonprofit musical organizations

The sales tax imposed by taxing authorities shall not apply to the sale of admission tickets by domestic nonprofit corporations or by any other domestic nonprofit organization known as a symphony organization or as a society or organization engaged in the presentation of musical performances; provided that this Section shall not apply to performances given by out-of-state or nonresident symphony companies, nor shall this Section apply to any performance intended to yield a profit to the promoters thereof.

§305.8. Exclusions and exemptions; pesticides used for agricultural purposes

The tax imposed by taxing authorities shall not apply to sale at retail of pesticides used for agricultural purposes, including particularly but not by way of limitation, insecticides, herbicides and fungicides.

§305.9. Exclusions and exemptions; motion picture film rental

The sales and use taxes imposed by the State of Louisiana or any such taxes imposed by any parish or municipality within the state shall not apply to the amount paid by the operator of a motion picture theatre to a distributing agency for use of films of photoplay.

\* \* \*

§305.13. Exclusions and exemptions; admissions to entertainments furnished by certain domestic nonprofit corporations

The sales tax imposed by taxing authorities shall not apply to the sale of admissions to entertainment events furnished by recognized domestic nonprofit charitable, educational and religious organizations when the entire proceeds from such sales, except for necessary expenses connected with the entertainment events, are used for the purposes for which the organizations furnishing the events were organized.

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

A.(1)(a) The sales and use taxes imposed by taxing authorities shall not apply to sales of tangible personal property at, or admission charges for, outside gate admissions to, or parking fees associated with, events sponsored by domestic, civic, educational, historical, charitable, fraternal, or religious organizations, which are nonprofit, when the entire proceeds, except for necessary expenses such as fees paid for guest speakers, chair and table rentals, and food and beverage utility related items connected therewith, are used for educational, charitable, religious, or historical restoration purposes, including the furtherance of the civic, educational, historical, charitable, fraternal, or religious purpose of the organization. In addition, newspapers published in this state by religious organizations shall also be exempt from such taxes, provided that the price paid for the newspaper or a subscription to the newspaper does not exceed the cost to publish such newspaper.

(b) Notwithstanding any other provision of this Section, the sales and use tax imposed by taxing authorities shall not apply to an event sponsored by a domestic nonprofit organization that is exempt from tax under Section 501(c)(3) of the Internal Revenue Code when the event provides Louisiana heritage, culture, crafts, art, food, and music, and the sponsor has contracted for production management and financing services for the event. Such services shall constitute

necessary expenses of the sponsor for purposes of the event. The provisions of this Subparagraph shall apply only to the sales of tangible personal property and admission charges for, outside gate admissions to, or parking fees associated with an event when the sales, charges, and fees are payable to or for the benefit of the sponsor of the event. The provisions of this Subparagraph shall apply only to an event which transpires over a minimum of seven but not more than twelve days and has a five-year annual average attendance of at least three hundred thousand over the duration of the event. For purposes of determining the five-year annual average attendance, the calculation shall include the total annual attendance for each of the five most recent years.

\* \* \*

§305.16. Exclusions and exemptions; cable television installation and repair

The sales and use taxes imposed by the state or by any political subdivision thereof shall not apply to necessary fees incurred in connection with the installation and service of cable television. Such exemption shall not apply to purchases made by any cable television system, but shall only apply to funds collected from the subscriber for regular service, installation and repairs.

§305.17. Exclusions and exemptions; income from coin-operated washing and drying machines in a commercial laundromat

State sales taxes imposed by R.S. 47:302 and R.S. 47:321, as well as any sales taxes imposed by any parish, municipality, school board, or other political subdivision, within the state, shall not apply to or be imposed upon the income on receipts from any coin-operated washing or drying machine in a commercial laundromat. A commercial laundromat, for purposes of this Section, is defined to be any establishment engaged solely in the business of furnishing washing or drying laundry services by means of coin-operated machines.

§305.18. Exclusions and exemptions; fairs, festivals, and expositions sponsored by nonprofit organizations; nature of exemption; limitations; qualifications

A. The sales and use tax imposed by the state of Louisiana under R.S. 47:302(C) and R.S. 47:321 shall not apply to all outside gate admissions to grounds and parking fees at fairs and festivals sponsored by recognized nonprofit organizations chartered under the state of Louisiana.

The exemption provided herein shall not apply to any event intended to yield a profit to the promoter or to any individual contracted to provide services or equipment, or both, for the event.

This Section shall not be construed to exempt any organization or activity from the payment of sales or use taxes otherwise required by law to be made on purchases made by these organizations.

This Section shall not be construed to exempt regular commercial ventures of any type such as bookstores, restaurants, gift shops, commercial flea markets and similar activities that are sponsored by organizations qualifying hereunder which are in competition with retail merchants.

\* \* \*

§305.19. Exclusions and exemptions; leased vessels used in the production of minerals

The taxes imposed by taxing authorities shall not apply to those vessels which are leased for use offshore beyond the territorial limits of this state for the production of oil, gas, sulphur, and other minerals or for the providing of services to those engaged in such production.

§305.20. Exclusions and exemptions; Louisiana commercial fishermen

\* \* \*

C. An owner who has obtained a certificate of exemption shall, with respect to the vessel identified in the certificate for the harvesting or production of fish and other aquatic life, including shrimp, oysters, and clams, and certain seafood processing facilities described in Subsection A, be exempt from the taxes described in Subsection A, as follows:

(1) Taxes applied to the materials and supplies necessary for repairs to the vessel or facility if they are purchased by the owner and later become a component part of the vessel or facility.

(2) Taxes applied to materials and supplies purchased by the owner of the vessel or facility where such materials and supplies are loaded upon the vessel or delivered to the facility for use or consumption in the maintenance and operation thereof for commercial fishing and processing ventures. For purposes of this Paragraph, it shall make no difference whether the vessel is engaged in interstate, foreign, or intrastate commerce.

(3) Taxes applied to repair services performed upon the vessel or facility. For the purposes of this Paragraph, it shall make no difference whether the vessel is engaged in intrastate, interstate, or foreign commerce.

(4) Taxes applied to the purchase of gasoline, diesel fuel, and lubricants for the vessel and to sources of energy and fuels for the facility.

\* \* \*

§305.25. Exclusions and exemptions; farm equipment

A. The tax imposed by R.S. 47:302(A), 321(A), and 331(A) with respect to the sale and use of farm equipment shall apply only to that portion of the sale price in excess of fifty thousand dollars for each item of farm equipment. The purchaser or his representative shall provide on any exemption certificate required for this exemption a certification that the purchaser is a farmer or is purchasing for an agricultural facility. The department shall hold the purchaser responsible for any taxes due. For the purpose of this Section, "farm equipment" includes the following:

\* \* \*

§305.26. Exclusions and exemptions; new vehicles furnished by dealers for driver education purposes

Solely for purposes of the sales or use tax levied by the state, such tax shall not be due on vehicles furnished by a dealer in new vehicles when withdrawn from inventory and furnished to a secondary school, college, or public school board on a free loan basis for exclusive use in a driver education program licensed by the Department of Public Safety and Corrections, public safety services.

\* \* \*

§305.28. Exclusions and exemptions; gasohol

A. The sales or use taxes imposed by the state of Louisiana or any such taxes imposed by any parish or municipality or other local entity within the state shall not apply to the sale at retail, the use, the consumption, the distribution, and the storage, to be used or consumed in this state, of any motor fuel known as gasohol, containing a blend of at least ten percent alcohol, if the alcohol therein has been produced, fermented, and distilled in Louisiana from agricultural commodities. Alcohol to be used in gasohol must have

been rendered unsuitable for human consumption at the time of its manufacture or immediately thereafter.

\* \* \*

§305.33. Exclusions and exemptions; nonprofit retirement centers

The sales and use taxes imposed by the state of Louisiana shall not apply to purchases of materials for the construction of and supplies for the operation of any not-for-profit retirement center owned or operated by any public trust authority or duly incorporated not-for-profit corporation. A retirement center for purposes of this Section is defined as any multipurpose facility which houses as a permanent residence senior citizens who are sixty-two years of age or older, which provides housing for the elderly, and which provides intermediate health care.

\* \* \*

§305.37. Exclusions and exemptions; diesel fuel, butane, propane, or other liquefied petroleum gases used for farm purposes

A. The state taxes imposed by R.S. 47:302(A), R.S. 47:321(A), and R.S. 47:331(A) shall not apply to diesel fuel, butane, propane, or other liquefied petroleum gases used or consumed for farm purposes. The secretary of the Department of Revenue shall adopt and promulgate rules and regulations necessary to effectuate the exemptions granted by this Section.

\* \* \*

§305.40. Exclusions and exemptions; purchases of Mardi Gras specialty items

A. Solely for purposes of the sales and use taxes levied by the state, such sales and use taxes imposed by R.S. 47:302, 321, and 331 shall not apply to the purchases or sales of specialty items for use in connection with Mardi Gras activities by the following organizations:

\* \* \*

§305.41. Exclusions and exemptions; Ducks Unlimited; Bass Life

The sales and use tax imposed by the state of Louisiana or any of its local governmental subdivisions or school boards shall not apply to either the sales of Ducks Unlimited or Bass Life or any of their chapters or any rental or purchase of property or services by Ducks Unlimited or Bass Life or any of their chapters.

§305.42. Exclusions and exemptions; tickets to ballet performances of nonprofit ballet organizations

Solely for purposes of the sales and use taxes levied by the state, such sales and use tax imposed by R.S. 47:302(A) and R.S. 47:321(A) shall not apply to the sale of admission tickets by any domestic nonprofit organization engaged in the preparation and presentation of any dance, drama, or any of the performing arts.

§305.43. Exclusions and exemptions; nonprofit organizations dedicated to the conservation of fish or migratory waterfowl; nature of exemption; limitations; qualifications

A. The sales and use taxes imposed by R.S. 47:302, R.S. 47:321, and R.S. 47:331 shall not apply to any sales made by a nonprofit organization dedicated exclusively to the conservation of fish or the migratory waterfowl of the North American Continent and to the preservation and conservation of wetland habitat of such waterfowl, when the entire proceeds, except for the necessary expenses connected therewith, are used in furtherance of the organization's exempt purpose. The exemption provided herein shall not apply to any event intended to yield a profit to the promoter or to

any individual contracted to provide services or equipment, or both, for the event.

\* \* \*

§305.44. Exclusions and exemptions; raw materials used in printing process

A. The sales and use taxes imposed by the state under R.S. 47:302, R.S. 47:321, and R.S. 47:331 and by any political subdivision shall not apply to purchases and sales of the following, including all chemical supplies necessary to produce such items whether manufactured by a printer or purchased from a subcontractor:

\* \* \*

§305.45. Exclusions and exemptions; per diem or car hire on freight cars, piggy-back cars, and rolling stock

A. The sales, use, and lease tax imposed by the state of Louisiana under the provisions of R.S. 47:302(A) and (B), R.S. 47:321(A) and (B) and R.S. 47:331 shall not apply to:

\* \* \*

§305.47. Exclusions and exemptions; pharmaceutical samples distributed without charge

The sales and use tax imposed by the state of Louisiana or any of its political subdivisions shall not apply to pharmaceutical samples approved by the United States Food and Drug Administration which are manufactured in the state or imported into the state for distribution without charge to physicians, dentists, clinics, or hospitals.

\* \* \*

§305.49. Catalog distribution; exemption

Notwithstanding any provision of law to the contrary, no sales or use tax shall be imposed by the state or any political subdivision on the value of catalogs distributed, or intended for distribution in the state, without charge to the recipient.

§305.50. Exemption; vehicles used in interstate commerce; rail rolling stock; railroad ties

A.(1) The sales and use tax imposed by the state of Louisiana or any of its local political subdivisions shall not apply to trucks with a gross weight of twenty-six thousand pounds or more and to trailers if such trucks and trailers are used at least eighty percent of the time in interstate commerce and whose activities are subject to the jurisdiction of the United States Department of Transportation. The determination of whether a truck is used at least eighty percent of the time in interstate commerce shall be based solely on the actual mileage of such truck; however, no truck shall have more than twenty percent Louisiana intrastate miles.

(2)(a) The sales and use tax imposed by the state or any of its political subdivisions shall not apply to the purchase, use, or lease of a qualifying truck or to the purchase, use, or lease of a qualifying trailer purchased, imported, or leased, with or without a qualifying truck, for use with a qualifying truck.

\* \* \*

B. The sales and use tax imposed by the state of Louisiana or any of its local political subdivisions shall not apply to contract carrier buses if such buses are used at least eighty percent of the time in interstate commerce.

\* \* \*

E.(1) The sales and use tax imposed by the state of Louisiana or any of its local political subdivisions or statewide taxing authorities shall not apply to rail rolling stock sold or leased in this state.

(2) The sales and use tax imposed by the state of Louisiana or statewide taxing authorities shall not apply to parts or services used in the fabrication, modification, or repair of rail rolling stock. A political subdivision may, by ordinance, provide that sales and use tax imposed by the political subdivision shall not apply to parts or service used in the fabrication, modification, or repair of rail rolling stock.

F. The sales and use tax imposed by the state, its statewide taxing authorities, or any of its political subdivisions shall not apply to the "sales price" or "cost price" of railroad ties that a railroad purchases prior to long-term preservative treatment and installs into the railroad's track system outside the taxing jurisdiction of the respective taxing authority, whether it be the state, a statewide taxing authority, or a political subdivision.

§305.51. Exemption; utilities used by steelworks and blast furnaces

A. The sales and use tax imposed by the state of Louisiana or any of its political subdivisions shall not apply to sales or purchases of utilities used by steelworks, blast furnaces, coke ovens, or rolling mills with more than one hundred twenty-five full-time employees, which are classified by the Louisiana Workforce Commission within Sector 331111 of the North American Industry Classification System as it existed in 2002. However, this exemption shall not apply to utilities used in and around the production of coke in oil refineries and the use of coke in oil refineries and other chemical processes.

\* \* \*

§305.54. Exemption; Annual Louisiana Sales Tax Holidays Act

\* \* \*

B.(1) Notwithstanding any other provisions of law to the contrary, the sales tax levied by the state of Louisiana and its political subdivisions whose boundaries are coterminous with those of the state shall not apply to the first two thousand five hundred dollars of the sales price or cost price of any consumer purchases of tangible personal property that occur on the first consecutive Friday and Saturday of August each year.

\* \* \*

§305.57. Exemptions; sale of art work

A. The sales and use taxes imposed by the state of Louisiana or any of its political subdivisions shall not apply to the sale of original, one-of-a-kind works of art from an established location within the boundaries of a cultural product district.

\* \* \*

§305.58. Exemption; annual sales tax holiday; hurricane-preparedness items or supplies; dates; restrictions

A.(1) Notwithstanding any other provision of law to the contrary, the sales and use tax levied by the state of Louisiana shall not apply to the first one thousand five hundred dollars of the sales price of purchases of hurricane-preparedness items or supplies as defined in this Subsection that occur during an eligible tax exemption period.

\* \* \*

§305.59. Exemption; charitable residential construction

The sales and use tax imposed by the state of Louisiana and all of its tax authorities shall not apply to the sale of construction materials to Habitat for Humanity affiliates, Fuller Center for Housing covenant partners located in this state, or the Make it Right Foundation when such materials are intended for use in constructing new residential dwellings in this state.

\* \* \*

§305.61. Exemption; certain water conservation equipment; Sparta Groundwater Conservation District

A. The sales and use tax imposed by all tax authorities in the state shall not apply to sales of water conservation equipment for use within the Sparta Groundwater Conservation District. Only persons defined as "users" under R.S. 38:3087.133(7) shall be eligible for this exemption.

\* \* \*

§305.62. Exemption; Annual Louisiana Second Amendment Weekend Holiday

\* \* \*

B.(1) Notwithstanding any other provisions of law to the contrary, the sales and use tax levied by the state of Louisiana and its political subdivisions shall not apply to the sales price or cost price of any consumer purchases of firearms, ammunition, and hunting supplies that occur each calendar year on the first consecutive Friday through Sunday of September.

\* \* \*

§305.63. Exemption; commercial farm irrigation equipment

The sales and use tax imposed by the state of Louisiana and its political subdivisions whose boundaries are coterminous with those of the state shall not apply to the sale of polyroll tubing sold or used for commercial farm irrigation.

§305.64. Exemption; qualifying radiation therapy treatment centers

A.(1) The sales and use tax imposed by the state of Louisiana shall not apply to the amount paid by qualifying radiation therapy treatment centers for the purchase, lease, or repair of capital equipment and the purchase, lease, or repair of software used to operate capital equipment. Any political subdivision of this state, including parishes and municipalities, may elect to grant a sales and use tax exemption for the amount paid by qualifying radiation therapy treatment centers for the purchase, lease, or repair of capital equipment and the purchase, lease, or repair of software used to operate capital equipment.

\* \* \*

§305.65. Exemption; charitable residential construction, rehabilitation, and renovation; limitation

A. The sales and use tax imposed by the state of Louisiana and all of its tax authorities shall not apply to the sale of construction materials to Hands on New Orleans and Rebuilding Together New Orleans covenant partners located in this state when such materials are intended for use in either constructing, rehabilitating, or renovating residential dwellings in this state which were destroyed or damaged by Hurricane Katrina or Hurricane Rita.

\* \* \*

§305.66. Exemption; parish councils on aging

A. The sales and use tax imposed by the state of Louisiana shall not apply to parish councils on aging located in this state.

\* \* \*

§305.67. Exemption; breastfeeding items

The sales and use tax imposed by the state of Louisiana shall not apply to the purchase of breastfeeding items. For purposes of this Section, breastfeeding items shall include breastpumps and accessories, replacement parts, storage bags and accessories, and nursing bras.

§305.68. Exemption; Fore!Kids Foundation

The sales and use tax imposed by the state of Louisiana or any political subdivisions shall not apply to the purchase, use, or rental of materials, services, property, and supplies, by the Fore!Kids Foundation, whose primary purpose is to fund children's service organizations from monies raised from golfing events.

\* \* \*

§305.70. Exemption; "Make It Right Foundation"

The sales and use tax imposed by the state of Louisiana or any political subdivision shall not apply to the sale of construction materials to the "Make It Right Foundation" when such materials are intended for use in constructing new residential dwellings in this state.

§305.71. Exemption; St. Bernard Project, Inc.

The sales and use tax imposed by the state of Louisiana or any political subdivision as defined in R.S. 47:337.6 shall not apply to the sale of construction materials to the St. Bernard Project, Inc. when such materials are intended for use in rehabilitating existing residential dwellings or constructing new residential dwellings in this state.

\* \* \*

§318. Disposition of collections

A. All monies collected under this Chapter shall be immediately paid into the state treasury, upon receipt, and first credited to the Bond Security and Redemption Fund as provided in Article VII, Section 9(B) of the Constitution of Louisiana; then an amount equal to four-tenths of one percent of all monies collected under this Chapter, and Chapters 2-A and 2-B of this Subtitle, and R.S. 51:1286 shall be used as provided in this Section.

\* \* \*

§321. Imposition of tax

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H.(1) Notwithstanding any other provision of law to the contrary, including but not limited to any contrary provisions of this Chapter, the exemptions to the tax levied pursuant to the provisions of this Section, except for those exemptions provided by R.S. 39:467 and 468, R.S. 47:305(A)(1), (B), (D)(1)(f), (j), (k), (l), (m), (s), and (t), and (G), 305.1, 305.2, 305.3, 305.8, 305.10, 305.14, 305.15, 305.20, 305.25(A)(1) and (2), 305.37, 305.38, 305.46, and 305.50, and R.S. 51:1787, shall be inapplicable, inoperable, and of no effect from July 1, 2002.

(2) Notwithstanding any other provision of law to the contrary, including but not limited to any contrary provisions of this Chapter, the exemption provided for in R.S. 47:305(A)(2) and 305.25(A)(3) shall be applicable, operable, and effective from July 1, 2007.

(3) Notwithstanding any other provision of the law or any other provision of this Chapter to the contrary, the exemption provided in R.S. 47:305(D)(1)(i) for new boats, vessels, or other water craft used as demonstrators shall be applicable, operable, and effective for all taxable periods beginning on or after July 1, 2009.

(4) Notwithstanding any other provision of law to the contrary, including but not limited to any contrary provisions of this Chapter, the exemption provided for in R.S. 47:305.63 shall be applicable, operable, and effective from July 1, 2009.

(5) Notwithstanding any other provision of law to the contrary, including but not limited to any contrary provisions of this Chapter, the exemption provided for in R.S. 47:305.64 shall be applicable, operable, and effective from July 1, 2009.

(6) Notwithstanding any other provision of law to the contrary which makes any sales and use tax exemption inapplicable, inoperable, and of no effect, the exemption provided in R.S. 47:305(D)(2) shall be applicable, operable, and effective from January 1, 1998.

I. Notwithstanding any other provision of law to the contrary and specifically notwithstanding any provision enacted during the 2004 First Extraordinary Session which makes any sales and use tax exemption inapplicable, inoperable, and of no effect, the exemption provided in R.S. 47:305.51 shall be applicable, operable, and effective for all taxable periods beginning on or after July 1, 2007.

J. Notwithstanding any other provision of law to the contrary and specifically notwithstanding any provision enacted to make any sales and use tax exemption inapplicable, inoperable, and of no effect, the exemption provided in R.S. 47:305(A)(5)(b) shall be applicable, operable, and effective from July 1, 2009.

K. Notwithstanding the provisions of Subsection H of this Section or any other provision of this Chapter to the contrary, for taxable periods beginning on or after July 1, 2008, the exemptions to the tax levied by this Section for electric power or energy, natural gas, steam, and water shall be applicable, operative, and effective.

\* \* \*

§331. Imposition of tax

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P.

\* \* \*

(3) Notwithstanding any other provision of law to the contrary, including but not limited to any contrary provisions of this Chapter, the exemption provided for in R.S. 47:305(A)(2) and 305.25(A)(3) shall be applicable, operable, and effective from July 1, 2007.

(4) Notwithstanding any other provision of law to the contrary which makes any sales and use tax exemption inapplicable, inoperable, and of no effect, the exemption provided in R.S. 47:305(D)(2) shall be applicable, operable, and effective from January 1, 1998.

Q. Notwithstanding any other provision of law to the contrary and specifically notwithstanding any provision enacted during the 2004 First Extraordinary Session which makes any sales and use tax exemption inapplicable, inoperable, and of no effect, the exemption provided in R.S. 47:305.51 shall be applicable, operable, and effective for all taxable periods beginning on or after July 1, 2007.

R. Notwithstanding any other provision of law to the contrary and specifically notwithstanding any provision which is enacted to make any sales and use tax exemption inapplicable, inoperable, and

of no effect, the exemption provided in R.S. 47:305(A)(5)(b) shall be applicable, operable, and effective from July 1, 2009.

\* \* \*

§6001. Antique airplanes and certain other aircraft

A. No tax imposed by the state or by any parish, municipality, school board, or any political subdivision of the state shall be imposed on antique airplanes which are maintained by private collectors and not used for commercial purposes, and no personal property tax shall be imposed on any aircraft weighing less than six thousand pounds which is owned by a private individual and not used for commercial or profit making purposes. The exemption from local taxes contained in this Section is granted notwithstanding the provisions of R.S. 47:302, and such exemption shall apply to any sales and use tax levied by any local governmental subdivision or school board.

\* \* \*

Section 14. R.S. 51:1307(C) is hereby amended and reenacted to read as follows:

§1307. Refund procedure

\* \* \*

C. The refund may consist of a credit card refund as provided for in Subsection D of this Section, or of a cash or check payment in any currency deemed appropriate by the commission, without interest to the international traveler, of the total sales tax of the state and of any participating local tax authority paid by the international traveler as reflected on the invoices or receipts and as verified by the refund form, less the handling fee charged. The international traveler's copy of the refund form will be kept by the refund agent. The invoices or receipts which were attached to the refund form shall be returned to the international traveler, stamped "Sales Tax Refunded".

Section 15. Section 4 of Act No. 386 of the 1990 Regular Session of the Legislature is hereby repealed in its entirety.

Section 16. The provisions of Sections 1, 2, 3, 4, 5, 6, 7, 15, 17, and this Section shall become effective on April 1, 2016.

Section 17. The provisions of Sections 8, 9, 10, 11, 12, 13, and 14 shall become effective on April 1, 2019."

On motion of Rep. Cromer, the amendments were adopted.

Rep. Jay Morris moved the final passage of the bill, as amended.

**ROLL CALL**

The roll was called with the following result:

**YEAS**

Mr. Speaker	Gaines	Lopinto
Abraham	Gisclair	Lyons
Abramson	Glover	Mack
Adams	Guinn	Magee
Anders	Hall	Marcelle
Armes	Harris, J.	McFarland
Bagley	Harris, L.	Miguez
Bagneris	Havard	Miller, D.
Berthelot	Hazel	Miller, G.
Billiot	Henry	Montoucet
Bishop	Hensgens	Moreno
Bouie	Hilferty	Morris, Jay
Broadwater	Hill	Morris, Jim
Brown, T.	Hoffmann	Norton

Carmody	Hollis	Pearson
Carpenter	Horton	Pierre
Carter, G.	Howard	Pope
Carter, R.	Hunter	Price
Carter, S.	Huval	Pugh
Chaney	Jackson	Pylant
Connick	James	Reynolds
Cox	Jefferson	Richard
Cromer	Jenkins	Schexnayder
Danahay	Johnson, R.	Schroder
DeVillier	Jones	Shadoin
Dwight	Landry, T.	Smith
Falconer	LeBas	Talbot
Foil	Leger	Thibaut
Franklin	Leopold	White
Total - 87		

**NAYS**

Amedee	Edmonds	Landry, N.
Bacala	Emerson	Seabaugh
Brown, C.	Garofalo	Stokes
Coussan	Hodges	Willmott
Davis	Ivey	Zeringue
Total - 15		

**ABSENT**

Johnson, M.	Simon
Total - 2	

The Chair declared the above bill, having received a two-thirds vote of the elected members, was finally passed.

The title of the above bill was read and adopted.

**Recess**

On motion of Rep. Leger, the Speaker declared the House at recess until 6:50 P.M.

**After Recess**

Speaker Barras called the House to order at 10:44 P.M.

**House Business Resumed**

**ROLL CALL**

The roll being called, the following members answered to their names:

**PRESENT**

Mr. Speaker	Franklin	Leger
Abraham	Gaines	Leopold
Abramson	Garofalo	Lyons
Adams	Gisclair	Mack
Amedee	Glover	Magee
Anders	Guinn	Marcelle
Armes	Hall	McFarland
Bacala	Harris, J.	Miguez
Bagley	Harris, L.	Miller, D.
Bagneris	Havard	Miller, G.
Berthelot	Hazel	Montoucet
Billiot	Henry	Moreno
Bishop	Hensgens	Morris, Jay
Bouie	Hilferty	Morris, Jim
Broadwater	Hill	Norton
Brown, C.	Hodges	Pearson
Brown, T.	Hoffmann	Pierre
Carmody	Horton	Pope
Carpenter	Howard	Price
Carter, G.	Hunter	Pugh

Carter, R.	Huval	Pylant
Carter, S.	Ivey	Reynolds
Chaney	Jackson	Schexnayder
Coussan	James	Shadoin
Cox	Jefferson	Smith
Danahay	Jenkins	Stokes
Davis	Johnson, M.	Talbot
DeVillier	Johnson, R.	Thibaut
Edmonds	Jones	White
Emerson	Landry, N.	Willmott
Falconer	Landry, T.	Zeringue
Foil	LeBas	
Total - 95		

The Speaker announced that there were 95 members present and a quorum.

**Suspension of the Rules**

On motion of Rep. Stokes, the rules were suspended in order to take up and consider House Bills and Joint Resolutions Returned from the Senate with Amendments at this time.

**House Bills and Joint Resolutions Returned from the Senate with Amendments**

The following House Bills and Joint Resolutions returned from the Senate with amendments to be concurred in by the House were taken up and acted upon as follows:

**Suspension of the Rules**

On motion of Rep. Stokes, and under a suspension of the rules, the following bill was taken up out of its regular order at this time.

**HOUSE BILL NO. 57—**  
BY REPRESENTATIVE STOKES  
AN ACT

To amend and reenact Section 4 of Act No. 109 of the 2015 Regular Session of the Legislature and to repeal Section 2 of Act No. 109 of the 2015 Regular Session of the Legislature, relative to the sunset provisions of Act No. 109 of the 2015 Regular Session of the Legislature; to provide with respect to the individual income tax credit for taxes paid to other states; to repeal the three-year sunset of modifications to the tax credit in Act No. 109 of the 2015 Regular Session of the Legislature; to provide for an effective date; and to provide for related matters.

Read by title.

The above bill was taken up with the amendments proposed by the Senate.

**SENATE FLOOR AMENDMENTS**

Amendments proposed by Senator Peacock to Engrossed House Bill No. 57 by Representative Stokes

AMENDMENT NO. 1

On page 1, line 3, after "Legislature" insert ", to enact R.S. 47:33(A)(7),"

AMENDMENT NO. 2

On page 1, between lines 9 and 10, insert the following:

"Section 1. R.S. 47:33(A)(7) is hereby enacted to read as follows:

§33. Credit for taxes paid in other states

A. Subject to the following conditions, resident individuals shall be allowed a credit against the taxes imposed by this Chapter for net income taxes imposed by and paid to another state on income taxable under this Chapter, provided that:

\* \* \*

(7) Notwithstanding the provisions of Paragraph 4 of this Subsection, for taxes paid on or after January 1, 2016, individual partners or members of entities who pay another state's entity level tax that does not have a capital component, but is based solely upon income included in the entity's federal gross income, shall be allowed the credit for their proportionate share of the entity level tax paid.

\* \* \*\*

AMENDMENT NO. 3

On page 1, line 10, change "Section 1." to "Section 2."

AMENDMENT NO. 4

On page 1, line 12, change "Section 2." to "Section 3."

AMENDMENT NO. 5

On page 2, line 4, change "Section 3." to "Section 4."

Rep. Stokes moved that the amendments proposed by the Senate be rejected.

**ROLL CALL**

The roll was called with the following result:

YEAS

Mr. Speaker	Franklin	Leopold
Abraham	Gaines	Lyons
Abramson	Garofalo	Mack
Adams	Gisclair	Magee
Amedee	Glover	Marcelle
Anders	Guinn	McFarland
Bacala	Hall	Miguez
Bagley	Harris, J.	Miller, D.
Bagneris	Harris, L.	Miller, G.
Berthelot	Havard	Montoucet
Billiot	Hazel	Moreno
Bishop	Henry	Morris, Jay
Bouie	Hilferty	Morris, Jim
Broadwater	Hill	Norton
Brown, C.	Hodges	Pearson
Brown, T.	Hoffmann	Pierre
Carmody	Horton	Pope
Carpenter	Howard	Price
Carter, G.	Hunter	Pugh
Carter, S.	Huval	Pylant
Chaney	Ivey	Reynolds
Coussan	Jackson	Schexnayder
Cox	James	Shadoin
Cromer	Jefferson	Smith
Danahay	Jenkins	Stokes
Davis	Johnson, M.	Talbot
DeVillier	Johnson, R.	Thibaut
Dwight	Jones	White
Edmonds	Landry, N.	Willmott
Emerson	Landry, T.	Zeringue
Falconer	LeBas	
Foil	Leger	
Total - 94		

NAYS

Total - 0

ABSENT

Armes	Hensgens	Schroder
Carter, R.	Hollis	Seabaugh
Connick	Lopinto	
Richard	Simon	
Total - 10		

The amendments proposed by the Senate were rejected.

Conference committee appointment pending.

**Suspension of the Rules**

On motion of Rep. Leger, and under a suspension of the rules, the following bill was taken up out of its regular order at this time.

**HOUSE BILL NO. 95—**  
BY REPRESENTATIVE LEGER

AN ACT

To amend and reenact R.S. 47:241 and 287.69 and to repeal R.S. 47:55(5), 287.79, 287.83, 287.85, and 287.442(B)(1), relative to income tax; to provide relative to the deductibility of federal income taxes; to repeal deductibility of federal income taxes paid for purposes of calculating corporate income taxes; to provide for applicability; to provide for an effective date; and to provide for related matters.

Read by title.

The above bill was taken up with the amendments proposed by the Senate.

**SENATE FLOOR AMENDMENTS**

Amendments proposed by Senator Morrell to Reengrossed House Bill No. 95 by Representative Leger

AMENDMENT NO. 1

On page 1, line 2, after "reenact" delete the remainder of the line and delete line 3 and insert:

"R.S. 47:93(A) and (B), 241, 287.69, and 287.442(B)(1), to enact R.S. 47:55(6), and to repeal R.S. 47:287.79, 287.83, and 287.85, relative to corporation income tax; to provide relative to the"

AMENDMENT NO. 2

On page 1, delete line 8 and insert:

"Section 1. R.S. 47:93(A) and (B), 241, 287.69, and 287.442(B)(1) are hereby amended and reenacted and R.S. 47:55(6) is hereby enacted to read as"

AMENDMENT NO. 3

On page 1, between lines 9 and 10, insert:

"§55. Deductions from gross income; taxes generally

In computing net income, there shall be allowed as deductions all taxes paid or accrued within the taxable year except:

\* \* \*

(6) Federal income taxes paid by corporations and entities taxed as corporations.

\* \* \*

§93. Period for which deductions and credits shall be taken

A. Except as hereinafter provided in this ~~section~~ Section, the deductions and credits provided for in this Chapter shall be taken for the taxable year in which "paid or accrued" or "paid or incurred," dependent upon the method of accounting upon the basis of which the net income is computed, unless in order to clearly reflect the income the deductions or credits should be taken as of a different period.

B. The proper year in which to claim deductions for federal income and excess profits taxes allowable under the provisions of R.S. 47:55 shall be determined as follows, regardless of the method of accounting regularly employed by the taxpayer:

(1) The amount of tax shown to be due upon the federal income tax return of the individual taxpayer, as filed, shall be allowed as a deduction in the state individual income tax return for the same period as that for which such federal return is filed.

(2) Federal income and excess profits taxes paid after the filing of the federal return in addition to the amount disclosed to be due by the return as filed shall be allowed as a deduction ~~in~~ on the state individual income tax return for that period if it is not prescribed. If it is prescribed, the deduction for such additional taxes shall be allowed as a deduction in the state return for the period in which such additional tax is paid. ~~This Subsection shall apply to all such payments after December 31, 1973:~~

\* \* \*\*

AMENDMENT NO. 4

On page 1, delete lines 10 through 19 and on page 2, delete lines 1 through 7 and insert:

"§241. Net income subject to tax

A. The net income of a nonresident individual ~~or a corporation~~ subject to the tax imposed by this Chapter shall be the sum of the net allocable income earned within or derived from sources within this state, as defined in R.S. 47:243, and the net apportionable income derived from sources in this state, as defined in R.S. 47:244, less the amount of federal income taxes attributable to the net allocable income and net apportionable income derived from sources in this state. The amount of federal income taxes to be so deducted shall be that portion of the total federal income tax which is levied with respect to the particular income derived from sources in this state to be computed in accordance with rules and regulations of the collector of revenue. Proper adjustment shall be made for the actual tax rates applying to different classes of income and for all differences in the computation of net income for purposes of federal income taxation as compared to the computation of net income under this Chapter. Where the allocation of the tax is to be based on a ratio of the amount of net income of a particular class, both the numerator and the denominator of the fraction used in determining the ratio shall be computed on the basis that such net income is determined for federal income tax purposes.

B. The net income of a corporation subject to the tax imposed by this Chapter shall be the sum of the net allocable income earned within or derived from sources within this state, as defined in R.S. 47:243, and the net apportionable income derived from sources in this state, as defined in R.S. 47:244, less the net apportionable income derived from sources in this state. Proper adjustment shall be made for the actual tax rates applying to different classes of income and for all differences in the computation of net income for purposes of federal income taxation as compared to the computation of net income under this Chapter. Where the allocation of the tax is to be based on a ratio of the amount of net income of a particular class,

both the numerator and the denominator of the fraction used in determining the ratio shall be computed on the basis that such net income is determined for federal income tax purposes."

AMENDMENT NO. 5

On page 2, delete lines 14 and 15 and insert:

\*\* \* \*

§287.442. Exceptions to taxable year of inclusion; taxable year deductions taken

\* \* \*

B. Period for which deductions and credits shall be taken.

(1) ~~The taxable year in which to claim the federal income tax deduction allowed by R.S. 47:287.85 shall be determined as follows, regardless of the method of accounting regularly employed by the taxpayer:~~

~~(a) The federal income tax deduction may be claimed for the same taxable year in which the federal income tax sought to be deducted is incurred, provided the taxpayer files a federal income tax return for such taxable year or is included with affiliates in a consolidated federal income tax return for such taxable year.~~

~~(b)(i) Taxable year for adjustments to taxpayer's federal income tax return. Except as otherwise provided in this Subparagraph, adjustments affecting federal taxable income which are made to the taxpayer's income tax return subsequent to filing, whether made because of a deficiency proposed by the government, a court order, an amended return, or other appropriate instrument or act, showing an overpayment or a deficiency shall be taken into account for purposes of this Part in the period for which the return was filed, unless the prescriptive period for the collection of tax or the refund or credit of overpayments, as the case may be, has expired. If the applicable prescriptive period has expired, the additional tax paid by the taxpayer in the case of an underpayment or the refund or credit received by the taxpayer in the case of an overpayment shall be for the taxable year such tax was paid, such refund was received, or such credit was allowed, as the case may be.~~

~~(ii)(b) When a federal refund results from transactions or conditions which arise after the close of the taxable year for which the refund is made, such federal refund shall be taken into account, for purposes of this Part, for the taxable year in which arose the transactions or conditions causing the refund.~~

~~(c) Taking federal adjustments into account. A payment of additional federal tax upon income which has borne Louisiana tax shall be taken into account by decreasing taxable income. That portion, if any, of such additional federal tax payment which would be disallowed as a deduction under either R.S. 47:287.81 or R.S. 47:287.83 shall be excluded from such adjustment. Refunds or credits of federal overpayments, including refunds or credits created by the carryback of a federal net operating loss, shall be taken into account by increasing Louisiana net income or decreasing the Louisiana net loss, as the case may be. That portion, if any, of the federal refund or credit of an overpayment which has not previously been charged against or deducted from Louisiana net income shall be excluded from such adjustment.~~

(d) Adjustments made to the Louisiana return. Adjustments to a return filed pursuant to this Part, whether initiated by the secretary or the taxpayer, shall be taken into account in the taxable year for which the return was filed in accordance with rules, regulations, or forms prescribed by the secretary.

\* \* \*

Section 2. R.S. 47:287.79, 287.83, and 287.85 are hereby repealed in their entirety."

AMENDMENT NO. 6

On page 2, delete line 18, and insert:

"Section 4. This Act shall become operative and take effect on January 1, 2017 if the proposed"

Rep. Leger moved that the amendments proposed by the Senate be rejected.

**ROLL CALL**

The roll was called with the following result:

YEAS

Mr. Speaker	Foil	Leopold
Abraham	Franklin	Lyons
Abramson	Gaines	Mack
Adams	Garofalo	Magee
Amedee	Gisclair	Marcelle
Anders	Glover	McFarland
Bacala	Guinn	Miguez
Bagley	Hall	Miller, D.
Bagneris	Harris, J.	Miller, G.
Berthelot	Harris, L.	Montoucet
Billiot	Havard	Moreno
Bishop	Henry	Morris, Jay
Bouie	Hilferty	Morris, Jim
Broadwater	Hill	Norton
Brown, C.	Hodges	Pearson
Brown, T.	Hoffmann	Pierce
Carmody	Hollis	Pope
Carpenter	Horton	Price
Carter, G.	Howard	Pugh
Carter, R.	Hunter	Pylant
Carter, S.	Huval	Reynolds
Chaney	Ivey	Schexnayder
Coussan	Jackson	Shadoin
Cox	James	Smith
Cromer	Jefferson	Stokes
Danahay	Jenkins	Talbot
Davis	Johnson, M.	Thibaut
DeVillier	Johnson, R.	White
Dwight	Jones	Willmott
Edmonds	Landry, T.	Zeringue
Emerson	LeBas	
Falconer	Leger	
Total - 94		

NAYS

Total - 0

ABSENT

Armes	Hensgens	Schroder
Connick	Landry, N.	Seabaugh
Lopinto	Simon	
Hazel	Richard	
Total - 10		

The amendments proposed by the Senate were rejected.

Conference committee appointment pending.

**Suspension of the Rules**

On motion of Rep. Leger, the rules were suspended in order to take up and consider Petitions, Memorials, and Communications at this time.

### Petitions, Memorials, and Communications

The following petitions, memorials, and communications were received and read:

#### Message from the Senate

##### HOUSE BILLS

March 7, 2016

To the Honorable Speaker and Members of the House of Representatives:

I am directed to inform your honorable body that the Senate has finally passed the following House Bills:

House Bill No. 87  
Returned with amendments

Respectfully submitted,

GLENN A. KOEPP  
Secretary of the Senate

#### Privileged Report of the Committee on Enrollment

March 7, 2016

To the honorable Speaker and Members of the House of Representatives:

I am directed by your Committee on Enrollment to submit the following report:

The following House Bills have been properly enrolled:

##### **HOUSE BILL NO. 29—** BY REPRESENTATIVE LEGER AN ACT

To amend and reenact R.S. 47:287.12, relative to corporation income tax; to provide relative to the rate of the corporation income tax; to provide for applicability; to provide for effectiveness; and to provide for related matters.

##### **HOUSE BILL NO. 31—** BY REPRESENTATIVE LEGER A JOINT RESOLUTION

Proposing to amend Article VII, Section 4(A) of the Constitution of Louisiana, relative to income taxation; to provide with respect to the deductibility of federal income taxes paid for purposes of computing state corporate income taxes; to provide for applicability; to provide for an effective date; to provide for submission of the proposed amendment to the electors; and to provide for related matters.

Respectfully submitted,

CHRIS HAZEL  
Chairman

The above House Bills contained in the report were signed by the Speaker of the House and taken to the Senate by the Clerk and were signed by the President of the Senate and taken by the Clerk of the House to the Governor for executive approval.

#### Suspension of the Rules

On motion of Rep. Henry, the rules were suspended to permit the Committee on Appropriations to meet on Tuesday, March 8,

2016, and consider the following legislative instruments that were not listed on the weekly committee schedule as required by House Rule 14.23:

Senate Bill No. 9

#### Leave of Absence

Rep. Simon - 1 day

#### Adjournment

On motion of Rep. Billiot, at 10:53 P.M., the House agreed to adjourn until Tuesday, March 8, 2016, at 10:00 A.M.

The Speaker of the House declared the House adjourned until 10:00 A.M., Tuesday, March 8, 2016.

ALFRED W. SPEER  
Clerk of the House

