

Sales Tax Exclusions and Exemptions to be considered March 15, 2017

<u>Cite</u>	<u>Sales Tax Exemptions (Number Assigned in 2013 TEB)</u>	<u>6/30/2015</u>	<u>State/Local Base</u>	<u>Exemption Applicability</u>	<u>Type (Statutory Designation)</u>	<u>Act 25 taxed or retained?</u>	<u>Act 26 New 1% taxed or retained?</u>	<u>Act 12 restored</u>	<u>Preliminary Recommendations for March 15, 2017 Meeting Discussion (pre-meeting)</u>	<u>Meeting Notes</u>
R.S. 47:301(10)(hh) and (14)(k) and 305.14(A)(1)(b)	55. Qualifying events providing Louisiana heritage, culture, crafts, art, food and music sponsored by a domestic nonprofit organization	###	Both	Sales in Public Facilities	Exclusions	Taxed	Taxed		Admissions - see one pager	
R.S. 39:468	88. Sales at certain publicly-owned facilities	###	Local Variance	Sales in Public Facilities	Exemptions	Taxed	Note: Act 13 of 2016 2nd E.S.		Admissions - see one pager	
R.S. 39:467	87. Sales at state-owned domed stadiums	###	Both	Sales in Public Facilities	Exemptions	Taxed	Note: Act 13 of 2016 2nd E.S.		Admissions - see one pager	
R.S. 47:301(3)(i), (13)(k), (28)(a), and 337.10(l)	11. Purchases of Manufacturing Machinery and Equipment	73,448,402	Local Variance	Business MM&E: All combined	Exclusions	Taxed at 1% from 4/2016 - 6/2018	Taxed from 4/2016 - 6/2016		Business MM&E - structure as a refund	
R.S. 47:301(16)(m)	77. Purchases by motor vehicle manufacturers	See number 11	Local Variance	Business MM&E: Manufacturers	Exclusions	Taxed at 1% from 4/2016 - 6/2016	Taxed		Business MM&E - structure as a refund	
R.S. 47:301(16)(o)(i) and (ii)	80. Purchases of machinery and equipment by certain utilities	See number 11	Local Variance	Utility Companies	Exclusions	Taxed	Taxed		Business MM&E - structure as a refund	
R.S. 47:301(7)(j), (10)(y) and (18)(k)	23. Property used in the Manufacture, Production, or Extraction of Unblended Diesel	###	State only	Oil & Gas: Business Materials	Exclusions	Taxed	Taxed		Business MM&E - structure as a refund	
R.S. 47:301(16)(m)	78. Purchases by Glass Manufacturers	See number 11	Local Variance	Business MM&E: Manufacturers	Exclusions	Taxed at 1% from 4/2016 - 6/2016	Taxed		Business MM&E - structure as a refund	
R.S. 47:301(10)(n)	42. Pelletized paper waste used in a permitted boiler	###	Both	Boiler Usage	Exclusions	Taxed	Taxed		Business utilities - recommend repeal exclusion; use exemption #103	
R.S. 47:305(D)(1)(c)	99. Sales of water - Nonresidential	\$6,653,905	Both	Business Utilities	Exemptions	Taxed at 4% from 4/2016 - 6/2016, 3% from 7/2016 - 6/2018, and 1% from 7/2018 - 3/2019	Taxed		Business utilities - recommend retaining exemption	

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R.S. 47:305(D)(1)(d)	100. Sales of electric power or energy - Nonresidential	\$336,618,617	Both	Business Utilities	Exemptions	Taxed at 4% from 4/2016 - 6/2016, 3% from 7/2016 - 6/2018, and 1% from 7/2018 - 3/2019	Taxed		Business utilities - recommend retaining exemption	
R.S. 47:305(D)(1)(h)	103. Materials and energy sources used for boiler fuel	+++	Both	Boiler Usage	Exemptions subject to 1% Susp Rate	Taxed	Taxed		Business utilities - recommend retaining exemption	
R.S. 47:305(D)(1)(g)	102. Sales of natural gas - Nonresidential	See number 100	Both	Business Utilities	Exemptions	Taxed at 4% from 4/2016 - 6/2016, 3% from 7/2016 - 6/2018, and 1% from 7/2018 - 3/2019	Taxed		Business utilities - recommend retaining exemption	
R.S. 47:305(D)(1)(b)	98. Sales of steam - Nonresidential	See number 99	Both	Business Utilities	Exemptions	Taxed at 4% from 4/2016 - 6/2016, 3% from 7/2016 - 6/2018, and 1% from 7/2018 - 3/2019	Taxed		Business utilities - recommend retaining exemption	
R.S. 47:305.51	150. Utilities used by steelworks and blast furnaces	See number 100	Both	Business Utilities	Exemptions	Taxed at 4% from 4/2016 - 6/2016, 3% from 7/2016 - 6/2018, and 1% from 7/2018 - 3/2019	Taxed		Business utilities - Repeal and use 100, 98, 99, 102 as exemptions	
R.S. 47:301(3)(j) and (13)(m)	13. Purchases of Electric Power and Natural Gas by Paper or Wood Products Manufacturing Facilities	See number 99	State only	Business Utilities	Exclusions	Taxed at 4% from 4/2016 - 6/2016, and 2% from 7/2016 - 6/2018	Taxed		Business utilities - Repeal and use 100, 98, 99, 102 as exemptions	
R.S. 47:301(10)(c)(i)(bb)	32. Natural gas used in the production of iron	See number 99	State only	Business Utilities	Exclusions	Taxed	Taxed		Business utilities - Repeal and use 100, 98, 99, 102 as exemptions	

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R.S. 47:301(10)(c)(ii)(aa)	33. Electricity for chlor-alkali manufacturing process	See number 99	State only	Business Utilities	Exclusions	Taxed	Taxed		Business utilities - Repeal and use 100, 98, 99, 102 as exemptions	
R.S. 47:301(14)(g)(i)(bb)	62. Repair services performed in Louisiana when the repaired property is exported	###	Local Variance	Interstate Commerce	Exclusions	Taxed	Retained		For reconsideration. Prior motion was retain and extend to locals.	
R.S. 47:305.57	153. Sales of original one-of-a-kind works of art sold in certain locations	###	Both	Occasional Sales	Exemptions	Taxed	Taxed		For reconsideration. Prior motion: retain and change to apply statewide.	
R.S. 47:301(16)(n)	79. Purchases of machinery and equipment by owners of certain radio stations	See number 11	State only	Business MM&E: Radio	Exclusions	Taxed	Taxed		Retained and changed to be part of consolidated new "mass media" but only for FCC required equipment for both radio and TV," but was pending for locals. Now recommend extending to locals,	
R.S. 47:301(3)(i)(ii)(aa)(l)(eee) and 337.10(l)	12. Purchases of Certain Machinery and Equipment used to Produce a News Publication	See number 11	Local Variance	Business MM&E: Newspapers	Exclusions	Taxed at 1% from 4/2016 - 6/2018	Taxed from 4/2016 - 6/2016		Retained and changed to be part of consolidated new "mass media" exemption for state, but still pending for locals. Now recommend not extending to locals but rather suggesting that exemption refer to MME section for treatment as a refund.	
R.S. 47:301(3)(k)	9. Purchases of Consumables by Paper and Wood Manufacturers and Loggers	See No. 11	State only	Business Consumables	Exclusions	Taxed	Taxed		Retained but pending for locals. Recommend suggesting a refund be provided due to the small number of companies involved.	
R.S. 47:301(16)(b)(iii)	68. Certain geophysical survey information and data analyses	-	Both	Services	Exclusions	Retained (per LDR)	Retained (per LDR)		Services. Recommend no taxation since business to business or deferring to HCR11 Task Force Recommendations	
R.S. 47:301(3)c	6. Installation of Board Roads to Oil-Field Operators	###	Both	Services	Exclusions	Retained	Retained		Services. Recommend no taxation since business to business or deferring to HCR11 Task Force Recommendations	
R.S. 47:301(16)(e)	69. Work products of certain professionals	-	Both	Services	Exclusions	Retained	Retained		Services. Recommend retaining or deferring to HCR11 Task Force Recommendations	

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R.S. 47:301.1(B)(2)(a), (b), (c), (e), (f)	66. Miscellaneous telecommunication services	###	State only	Telecommunications	Exclusions	Taxed	Taxed		Swap One Pager	
R.S. 47:305(A)(2)	92. Livestock and racehorses	###	State only	Horse Racing	Exemptions	Retained	Retained		Swap One Pager	
R.S. 47:305.63	158. Sale of polyroll tubing	###	State only	Agricultural - Farm	Exemptions	Taxed	Taxed		Swap One Pager	
R.S. 47:305.20(A) and (G)	128. Purchases of supplies, fuels, and repair services for boats used by commercial fishermen	###	Local Variance	Agricultural Seafood	Exemptions	Taxed	Taxed	Restored	Swap One Pager	
R.S. 47:305.20(C)	129. Certain seafood-processing facilities	###	Local Variance	Agricultural Seafood	Exemptions	Taxed	Taxed		Swap One Pager	
R.S. 47:305(A)(6)	95. Materials used in the production or harvesting of catfish	+++	State only	Agricultural Seafood	Exemptions subject to 1% Susp Rate	Retained	Retained		Swap One Pager	
R.S. 47:305(A)(5)	94. Materials used in the production or harvesting of crawfish	+++	State only	Agricultural Seafood	Exemptions subject to 1% Susp Rate	Retained	Retained		Swap One Pager	
R.S. 47:305(D)(1)(k)	192.2 Orthotic devices, including prescription eyeglasses and contact lenses, wheelchairs and lifts, and prosthetic devices as prescribed by a physician, optometrist, or licensed chiropractor for personal use		Local Variance	Medical device or equipment	Exemption	Taxed	Taxed	Restored	Swap One Pager	
R.S. 47:305(D)(1)(l)	192.3 Sales of ostomy, colostomy, and ileostomy devices and equipment		State only	Medical device or equipment	Exemption	Taxed	Taxed	Restored	Swap One Pager	
R.S. 47:305(D)(1)(m)	192.4 Sales of patient aids prescribed by a physician or chiropractor		State only	Medical device or equipment	Exemption	Taxed	Taxed		Swap One Pager	
R.S. 47:305(D)(1)(s)	192.5 Sales of medical devices used exclusively by the patient in the medical treatment of various diseases or administered exclusively to the patient by a physician, nurse, or other health care provider or facility, in the treatment of diseases under the supervision of and prescribed by a physician		State only	Medical device or equipment	Exemption	Taxed	Taxed		Swap One Pager	
R.S. 47:305.37	135. Sales of certain fuels used for farm purposes	###	Local Variance	Agricultural - Farm	Exemptions	Retained	Taxed		Swap One Pager	

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R.S. 47:305.64	159. Purchase, Lease or Repair of certain capital equipment and computer software of qualifying radiation therapy treatment centers	###	Local Variance	Medical	Exemptions	Taxed	Taxed		Swap One Pager	
R.S. 47:301(13)(c)	57. First \$50,000 of new farm equipment used in poultry production	See number 11	Both	Agricultural MME	Exclusions	Retained	Retained		Swap One Pager	
R.S. 47:305.25(A)(1-3) and 337.10(I)	130. First \$50,000 of the sales price of certain rubber tire and irrigation farm equipment	See number 11	Local Variance	Agricultural MME	Exemptions	Retained	Retained		Swap One Pager - still threshold problem for streamline	
R.S. 47:306(A)(3)	175. Vendor's compensation	\$25,882,917	Local Variance	Vendors Comp	Credits	N/A	N/A		Vendors Comp - Recommend switching to single formula at state and local level in report and encouraging locals to restructure theirs accordingly	