Be it enacted by the Legislature of Louisiana:

To amend and reenact R.S. 47:287.71(B)(6), relative to corporate income tax;

A. Definitions
As used in this Section:

(5) “Qualified event” or “qualified major event” means a National Football League Super Bowl, a National Collegiate Athletic Association Final Four tournament game, the National Basketball Association All-Star Game, the X Games, a National Collegiate Athletic Association Division I Football Bowl Subdivision postseason playoff or championship game, a college tournament or championship, the World Games, a national collegiate championship of an amateur sport sanctioned by the national governing body of the sport that is recognized by the United States Olympic Committee, an Olympic activity including a Junior or Senior activity, training program, or feeder program sanctioned by the United States Olympic Committee’s Community Olympic Development Program, a mixed martial arts championship, the Breeders’ Cup World Championships, a Bassmasters Classic, a National Motorsports race, the Red Bull Signature Series, a National Collegiate Athletic Association football kickoff game, a national championship or Olympic trials of an amateur or professional sport sanctioned by the national governing body of the sport, the United States Bowling Congress Tournament, a national military event, or a national political convention of the Republican National Committee or of the Democratic National Committee. The term includes any activities related to or associated with a qualified event.

B. There shall be subtracted from gross income determined under federal law, unless already excluded therefrom, the following items:

(6) Seventy-two percent of the amounts Amounts received as dividend income from banking corporations organized under the laws of Louisiana, from national banking corporations doing business in Louisiana, and from capital stock associations whose stock is subject to ad valorem taxation.

Section 1. R.S. 47:287.71(B)(6) is hereby amended and reenacted to read as follows:

§287.71. Modifications to federal gross income

B. There shall be subtracted from gross income determined under federal law, unless already excluded therefrom, the following items:

(6) Seventy-two percent of the amounts Amounts received as dividend income from banking corporations organized under the laws of Louisiana, from national banking corporations doing business in Louisiana, and from capital stock associations whose stock is subject to ad valorem taxation.

Section 2. The provisions of this Act shall apply to all exclusions from taxable income as provided for in R.S. 47:287.71(B)(6) claimed on any return filed for any taxable year beginning on or after January 1, 2015.

Section 3. Notwithstanding Section 6 of Act No. 123 of the 2015 Regular Session of the Legislature, the provisions of Section 3 of that Act that amended and reenacted R.S. 47:287.71(B)(6) shall not become effective and are hereby repealed.

Section 4. This Act shall become effective upon signature by the governor or, if not signed by the governor, upon expiration of the time for bills to become law without signature by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on the day following such approval.

Approved by the Governor, March 3, 2016.

A true copy:
Tom Schedler
Secretary of State

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ACT No. 3

BY SENATORS LAFLEUR AND ALARIO

AN ACT

To amend and reenact R.S. 39:91(A), the introductory paragraph of (B), and (D), and to enact R.S. 39:91(E), relative to the deposit of certain funds into the state general fund; to provide for the deposit of certain economic damages proceeds from the state’s economic damages claims asserted in State of Louisiana v. BP Exploration & Production, et al., MDL NO. 2179 (E.D.LA. pending) (hereinafter “DWH litigation”) to recover economic damages sustained by the state from the Deepwater Horizon oil spill that occurred on or about April 20, 2010, at the MC 252 site in the Gulf of Mexico.

A. There shall be established in the state treasury a special permanent trust fund named the Deepwater Horizon Economic Damages Collection Fund. After allocation of money to the Bond Security and Redemption Fund as provided in Article VII, Section 9(B) of the Constitution of Louisiana, the treasurer shall deposit in and credit to the Deepwater Horizon Economic Damages Collection Fund the fiscal year 2015-2016 Deficit Elimination Fund as created in Subsection D of this Section, the first two hundred million dollars of the proceeds of the settlement, judgment, or final disposition of the state’s economic damages claims asserted in State of Louisiana v. BP Exploration & Production, et al., MDL NO. 2179 (E.D.LA. pending) (hereinafter “DWH litigation”) to recover economic damages sustained by the state from the Deepwater Horizon explosion and oil spill that occurred on or about April 20, 2010, at the MC 252 site in the Gulf of Mexico.

B. Within thirty days of each receipt of economic damages proceeds from the DWH litigation, the treasurer shall make the following deposits:

D(1) The Fiscal Year 2015-2016 Deficit Elimination Fund, hereinafter referred to as the “fund”, is hereby created in the state treasury. After allocation of money to the Bond Security and Redemption Fund as provided in Article VII, Section 9(B) of the Constitution of Louisiana, the treasurer shall deposit in and credit to the Fiscal Year 2015-2016 Deficit Elimination Fund the economic damages proceeds from the DWH litigation in excess of the first two hundred million dollars deposited in the Fiscal Year 2015-2016 Deficit Elimination Fund as provided in Subsection D of this Section.
first two hundred million dollars of the proceeds of the settlement, judgment, or final disposition of the state’s economic damages claims asserted in the DWH litigation to recover economic damages sustained by the state from the Deepwater Horizon explosion and oil spill that occurred on or about April 20, 2010, at the MC 252 site in the Gulf of Mexico.

(2) All unexpended and unencumbered monies in the Fiscal Year 2015-2016 Deficit Elimination Fund at the end of the fiscal year shall remain in the fund. The monies in the fund shall be invested by the state treasurer in the same manner as monies in the state general fund, and interest earned on the investment of monies shall be credited to the fund.

(3) Monies in the fund shall be appropriated and used solely to provide a source of funds to eliminate all or a portion of the Fiscal Year 2015-2016 budgetary deficit.

(4) This fund shall only be comprised of noncoastal restoration monies.

E. This Subpart shall be null, void, and of no effect at the later of the conclusion of the DWH litigation or July 1, 2024.

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

Approved by the Governor, March 3, 2016.

A true copy:
Tom Schedler
Secretary of State

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**ACT No. 4**

**HOUSE BILL NO. 14**

BY REPRESENTATIVES LÉGER, ADAMS, BAGNERIS, BOUIE, HOFFMANN, MACK, AND STOKES

AN ACT

To enact R.S. 47:841(B)(7), relative to the tobacco tax; to provide with respect to the rate of the tax levied on cigarettes; to increase the rate of the tax levied on cigarettes; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:841(B)(7) is hereby enacted to read as follows:

§841. Imposition of tax

There is hereby levied a tax upon the sale, use, consumption, handling, or distribution of all cigars, cigarettes, smoking and smokeless tobacco, and vapor products and electronic cigarettes as defined herein, within the state of Louisiana, according to the classification and rates hereinafter set forth:

* * *

B. Cigarettes.

* * *

(7) In addition to the tax levied in Paragraphs (1), (2), (4), (5), and (6) of this Subsection and in Paragraph (3) of this Subsection as continued in effect by Article VII, Section 4.1 of the Constitution of Louisiana, there is hereby levied an additional tax of one and two-twentieths of one cent per cigarette.

* * *

Section 2. The increase in the cigarette tax levied by the provisions of this Act shall be effective for the period beginning on April 1, 2016. Approved by the Governor, March 8, 2016.

A true copy:
Tom Schedler
Secretary of State

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**ACT No. 5**

**HOUSE BILL NO. 18**

BY REPRESENTATIVE MONTOUCET

AN ACT

To amend and reenact R.S. 47:843(B) and (C)(3) and 851(B)(4)(b), relative to state excise taxes; to provide relative to the discounts for the reporting and remitting of excise taxes on certain tobacco products; to provide relative to the discount for stamping cigarettes; to reduce the amount of the discounts for the reporting and remitting of excise taxes and the stamping of cigarettes; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:843(B) and (C)(3) and 851(B)(4)(b) are hereby amended and reenacted to read as follows:

§843. Use of stamps or meter impression required; limitations

B. Discounts. The secretary of the Department of Revenue shall allow wholesale tobacco dealers of other states who have a direct purchasing contract with a manufacturer and serving a trade area of retail dealers in this state to purchase Louisiana stamps with benefit of a five percent discount; provided however, in no instance shall the discount be greater than that which is received by such wholesale tobacco dealers in their state of domicile and further provided that regardless of the discount extended by other states, the discount shall not exceed six percent.

C. Purchase of stamps.

* * *

(3) Cigarette tax stamps shall be sold by the secretary of the Department of Revenue to bonded registered Louisiana tobacco dealers in the state of Louisiana who hold a valid stamped agent designation in accordance with R.S. 26:902(2)(a) and who have a direct purchasing contract with a manufacturer at a discount of six percent from the face value, when purchased in quantities of not less than one hundred dollars face value, and the same provisions and discount shall apply where the metered stamping machine or device is used.

§851. Dealers receiving unstamped and/or nontax paid cigarettes, cigars, and smoking tobacco required to file monthly reports and maintain records; vending machine restrictions

* * *

B. Registered tobacco dealers and stamping agents.

* * *

(4) A six percent discount is allowable for timely and accurately filing such the report only on those purchases made by registered tobacco dealers in Louisiana who have a direct purchasing contract with a manufacturer. The secretary shall allow wholesale tobacco dealers of other states serving a trade area of retail dealers in this state who have a direct purchasing contract with a manufacturer to sell in this state with the benefit of the discount provided in this Section, however, in no instance shall the discount be greater than that which is received by such wholesale tobacco dealers in their state of domicile and further provided that regardless of the discount extended by other states, such discount shall not exceed six percent.

Section 2. The provisions of this Act shall become effective on April 1, 2016. Approved by the Governor, March 8, 2016.

A true copy:
Tom Schedler
Secretary of State

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**ACT No. 6**

**HOUSE BILL NO. 20**

BY REPRESENTATIVE BROADWATER

AN ACT

To amend and reenact R.S. 47:287.86(A) and to repeal the introductory paragraph of R.S. 47:287.86(A) as amended in Section 3 of Act No. 123 of the 2015 Regular Session, relative to the net operating loss deduction for corporate income tax; to limit the amount of the deduction; to provide for applicability; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:287.86(A) is hereby amended and reenacted to read as follows:

§287.86. Net operating loss deduction

A. Deduction from Louisiana net income. Except as otherwise provided, for all claims for this deduction on any return filed on or after July 1, 2015, regardless of the taxable year to which the return relates, there shall be allowed for the taxable year an adjustment a deduction reducing Louisiana net income in an amount equal to seventy-two percent of the net operating loss carryovers to such year, but the deduction shall never exceed seventy-two percent of Louisiana net income.

* * *

Section 2. Any deduction for net operating loss authorized by Section (5) (C) of Act No. 123 of the 2015 Regular Session shall be allowed in addition to the net operating loss deductions authorized by Section 1 of this Act.

Section 3. The provisions of Section 3 of Act No. 123 amending R.S. 47:287.86(A) introductory paragraph and hereby repealed in their entirety.

Section 4. The provisions of this Act shall become effective January 1, 2016. Approved by the Governor, March 9, 2016.

A true copy:
Tom Schedler
Secretary of State

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To amend and reenact R.S. 26:345 and 354(D), relative to state excise taxes; to provide relative to the discounts for the reporting and remitting of excise taxes on certain alcoholic beverages; to reduce the amount of the discounts for accurately reporting and timely remitting certain excise taxes; to provide for an effective date; and to provide for related matters. Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 26:345 and 354(D) are hereby amended and reenacted to read as follows:

§345. Discount on taxes on beverages of low alcoholic content
For accurately reporting and timely remitting the taxes due under the provisions of R.S. 26:342, all taxpayers shall be allowed a discount of two and one-half percent of the amount of the tax otherwise due.

§354. Payment and reporting of taxes; discounts; rules and regulations; enforcement; forfeitures and penalties; redemption of tax stamps

D. For accurately reporting and timely remitting the taxes all taxpayers shall be allowed a discount of three and one-third percent of two and one-half percent of the amount of the tax otherwise due. When a check or other instrument given in payment of taxes is returned unpaid, the discount is forfeited.

Section 2. The provisions of this Act shall become effective on January 1, 2016.

Approved by the Governor, March 9, 2016.

A true copy:
Tom Schedler
Secretary of State

ACT No. 8
- - - - -
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. Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:287.12 is hereby amended and reenacted to read as follows:

§287.12. Rates of tax
The tax to be assessed, levied, collected, and paid upon the Louisiana taxable income of every corporation shall be computed at the rate of:
(1) Four percent upon the first twenty-five thousand dollars of Louisiana taxable income;
(2) Five percent upon the amount of Louisiana taxable income above twenty-five thousand dollars but not in excess of fifty thousand dollars;
(3) Six percent on the amount of Louisiana taxable income above fifty thousand dollars but not in excess of one hundred thousand dollars;
(4) Seven percent on the amount of Louisiana taxable income above one hundred thousand dollars but not in excess of two hundred thousand dollars;
(5) Eight percent and one-half percent on all Louisiana taxable income in excess of two hundred thousand dollars.

Section 2. The provisions of this Act shall be applicable to all tax years beginning on and after January 1, 2017.

Approved by the Governor, March 9, 2016.

A true copy:
Tom Schedler
Secretary of State

ACT No. 10
- - - - -
HOUSE BILL NO. 87
BY REPRESENTATIVE ANDERS
AN ACT

To amend and reenact R.S. 22:270(A) and 832(A) and (C), relative to state insurance premium tax; to provide for a reduction of the tax due in certain circumstances; to provide for the definition of a qualifying Louisiana health maintenance organization; to provide rates for health maintenance organizations; to provide for an effective date; and to provide for related matters. Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 22:270(A) and 832(A) and (C) are hereby amended and reenacted to read as follows:

§270. Taxes and tax base
A. In lieu of the state income tax and the corporate franchise tax levied in Title 47 of the Louisiana Revised Statutes of 1950, every health maintenance organization authorized and certified to engage in the business of issuing contracts or other evidences or similar forms of coverage to enrollees for health care services or prepaid medical services in this state, including Louisiana partnerships authorized under R.S. 22:244(B), shall pay an annual license tax on the gross amount of its receipts from contracts and other evidences of coverage at the rate of ninety-seven percent of the amount of the tax otherwise due. When a check or other instrument given in payment of taxes is returned unpaid, the discount is forfeited.

C.(1) There is hereby levied a tax upon all sales of services, as herein defined, in this state, at the rate of two percent of the amounts paid or charged for such services.
(2) Notwithstanding any provision of law to the contrary, effective on April 1, 2016, the tax levied by this Section shall not apply to the furnishing of interstate telecommunications services or international telecommunications services reflected on bills submitted by telecommunications service providers to their customers which are dated on and after that date, regardless of when such services are provided.
(3) The tax levied in this Section shall be collected from the dealer, as defined herein, shall be paid at the time and in the manner hereinafter provided, and shall be in addition to all other taxes, whether levied in the form of excise, license, privilege, or other taxes, and shall be in addition to taxes levied under the provisions of Chapter 3 of Subtitle II of this Title.

§331. Imposition of tax
C. In addition to the tax levied on sales of services by R.S. 47:302(C) and collected under the provisions of Chapter 2 of Subtitle II of this Title, there is hereby levied a tax upon all sales of services in this state, as defined by Chapter 2 of Subtitle II of this Title, in this state, at the rate of ninety-seven percent of the amounts paid or charged for such services.

§331. Imposition of tax
(2) Except as otherwise provided in Subparagraph (ii) of this Paragraph, the tax levied by this Section shall not apply to the furnishing of interstate telecommunications services or international telecommunications services, as both of those terms are defined in Chapter 2 of Subtitle II of this Title.

§331. Imposition of tax
(2)(i) Except as otherwise provided in Subparagraph (ii) of this Paragraph, the tax levied by this Section shall not apply to the furnishing of interstate telecommunications services or international telecommunications services, as both of those terms are defined in Chapter 2 of Subtitle II of this Title.

§331. Imposition of tax
(2) Except as otherwise provided in Subparagraph (ii) of this Paragraph, the tax levied by this Section shall not apply to the furnishing of interstate telecommunications services or international telecommunications services, as both of those terms are defined in Chapter 2 of Subtitle II of this Title.

§331. Imposition of tax
(2) Except as otherwise provided in Subparagraph (ii) of this Paragraph, the tax levied by this Section shall not apply to the furnishing of interstate telecommunications services or international telecommunications services, as both of those terms are defined in Chapter 2 of Subtitle II of this Title.
dolars of gross annual premiums collected. For purposes of this Subsection, “individual market” means the market for health coverage offered to individuals other than in connection with a group plan. The Commissioner of Insurance, in consultation with the Secretary of the Department of Health and Hospitals, shall have the authority, by rule-making pursuant to the Administrative Procedure Act, to prescribe rules in order to implement this provision or to meet the requirements of federal law or regulations, obtain approval from the Centers for Medicare and Medicaid Services, or to ensure federal financial participation. The commissioner shall not adjust the enrollment numbers described in this Subsection. This Subsection shall become effective upon the issuance of any required approval by the Centers for Medicare and Medicaid Services.

§832. Reduction of tax when certain investments are made in Louisiana A.(1) The amount of the tax payable shall be reduced from the amount otherwise fixed in this Part if the payer files a sworn statement with the annual report required by this Part showing as of the end of each fiscal quarter reporting period that at least the following amounts of the total admitted assets of the payer, less assets in an amount equal to the reserves on its policies issued in foreign countries in which it is authorized to do business and which countries require an investment therein as a condition of doing business, are invested and maintained in qualifying Louisiana investments as hereinafter defined in Subsection C of this Section.

(2) The amount of tax credit granted shall be as provided in Subsection B of this Section and based on the average of the percentage of qualifying Louisiana investments held at the end of each fiscal quarter for the fiscal year.

(3) However, Paragraph (1) of this Subsection notwithstanding, for any taxable year beginning on or after January 1, 2016 and before January 1, 2018, for all payers, except for life insurance companies writing life insurance premiums with total admitted assets of fifteen million dollars or less, the amount of the tax credit granted shall not exceed ninety-five percent of the tax credit for the average percentage of qualifying Louisiana investments as provided in Subsection B of this Section.

C. For the purposes of this Part, beginning January 1, 2017, “a qualifying Louisiana investment” is hereby defined as:

(1) Certificates of deposit issued in Louisiana by any bank or savings and loan association or savings bank, any of which are operating in the state of Louisiana or a trust company operating in the state of Louisiana with a main office or one or more branches.

(2) Real property located in the state of Louisiana.

(3) Policy loans to residents of Louisiana, or other loans to residents of this state, or to corporations domiciled in this state; and

(4) Common or preferred stock in corporations domiciled in this state, and

(5) Cash on deposit in any account in Louisiana in any bank or savings and loan association, or savings bank, or trust company holding such funds in trust, operating in the state of Louisiana with a main office or one or more branches.

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

Approved by the Governor, March 9, 2016.

A true copy:
Tom Schedler
Secretary of State

ACT No. 12

HOUSE BILL NO. 19

BY REPRESENTATIVE JAMES

AN ACT

To amend and reenact R.S. 12:1368 and R.S. 47:601(A)(3) and (C)(1), 602(G), and 611 and to enact R.S. 47:601(C)(3) and 602(H), relative to corporate franchise tax; to provide relative to the entities to which the tax applies; to provide for applicability; to provide for certain deductions for taxable capital; to provide for initial payment of franchise tax; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 12:1368 is hereby amended and reenacted to read as follows:

§1368. Taxation
A. Every domestic corporation created under this Chapter or entering the state pursuant to this Chapter shall pay such taxes as are imposed by the laws of this state or any political subdivision thereof on domestic and foreign limited partnerships on an identical basis therewith.

To amend and reenact R.S. 32:8(B) and R.S. 47:1676(E)(1) and to repeal R.S. 47:1676(E)(2) and (3), relative to the elimination of the Debt Recovery Fund; to provide for the elimination of the Debt Recovery Fund; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 32:8(B) is hereby amended and reenacted to read as follows:

38. Final delinquent debt; office of motor vehicles

§1676. Debt recovery

E. The office shall charge the debtor a fee not to exceed twenty-five percent of the total liability of debt which has become final after the initial effective date of this Section. The amount of the fee shall be established by rule promulgated by the department and shall be uniformly applied to all debts. Fees collected under this Subsection shall be retained by the office and credited to the Debt Recovery Fund.

Section 2. R.S. 47:1676(E)(1) is hereby amended and reenacted to read as follows:

47:1676(E)(1) and (3), relative to the elimination of the Debt Recovery Fund; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 12:1368 is hereby amended and reenacted to read as follows:

§1368. Taxation

A. Every domestic corporation created under this Chapter or entering the state pursuant to this Chapter shall pay such taxes as are imposed by the laws of this state or any political subdivision thereof on domestic and foreign limited partnerships on an identical basis therewith.

To amend and reenact R.S. 32:8(B) and R.S. 47:1676(E)(1) and to repeal R.S. 47:1676(E)(2) and (3), relative to the elimination of the Debt Recovery Fund; to provide for the elimination of the Debt Recovery Fund; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 32:8(B) is hereby amended and reenacted to read as follows:

38. Final delinquent debt; office of motor vehicles

B. The office of motor vehicles shall after all final delinquent debts to the office of debt recovery as provided in R.S. 47:1676. All delinquent debt referrals shall include data and information in the required format necessary to institute collection procedures. All delinquent debts shall be authenticated by the office of motor vehicles prior to being referred to the office of debt recovery. Once the delinquent debt becomes final, and prior to referral to the office of debt recovery, the office of motor vehicles shall notify the debtor in writing that failure to pay the debt in full within sixty days shall subject the debt to the maximum amount owed together with the additional fee collected by the office of debt recovery provided for in R.S. 47:1676. All funds collected pursuant to the provisions of this Act shall be deposited into the Debt Recovery Fund and utilized for the office of motor vehicles.
property in this state, subject to compliance with all other provisions of law, except as otherwise provided for in this Chapter shall pay an annual tax at the rate of one dollar and fifty cents for each one thousand dollars, or major fraction thereof, of the taxable capital and at the rate of three dollars for each one thousand dollars, or major fraction thereof, which exceeds three hundred thousand dollars of taxable capital. Taxable capital shall be determined as hereinafter provided. The tax levied herein is due and payable on any one or all of the following alternative incidents: * * *

(3) The owning or using any part or all of its capital, plant, or other property in this state in a corporate capacity, whether owned directly or indirectly, or through a partnership, joint venture, or any other business organization of which the domestic or foreign corporation is a related party as defined in R.S. 47:604.1. * * *

C.(1) As used herein the term “domestic corporation” shall mean and include all any of the following:

(a) Corporations. Corporations, joint stock companies or associations, or other business organizations organized under the laws of this state which have privileges, powers, rights, or immunities not possessed by individuals or partnerships.

(b) All entities taxed as corporations pursuant to 26 U.S.C. Subtitle A, Chapter 1, Subchapter C for federal income tax purposes, notwithstanding any provision of law to the contrary. Such entities shall be treated and taxed in the same manner that such entities are treated and taxed for federal income tax purposes.

(c) Nothing in this Subsection shall extend franchise tax liability to any limited liability company qualified and eligible to make an election to be taxed in accordance with the provisions of 26 U.S.C. Subtitle A, Chapter 1, Subchapter S on the first day of its fiscal or annual year or to any other entity that was acquired before January 1, 2014, but not earlier than January 1, 2012, by an entity that was taxable pursuant to 26 U.S.C. Subtitle A, Chapter 1, Subchapter S.

(3) For purposes of this Chapter, “corporation” shall mean a domestic corporation or foreign corporation as provided for in this Section.

§602. Determination of taxable capital

G. Holding company deduction

(1) Any corporation, as defined in R.S. 47:601(C), that is subject to the franchise tax imposed by R.S. 47:601(A) and that is not subject to R.S. 47:602(E), (C), (D), (E), or (F), that has one or more subsidiaries as defined hereinbelow, shall be entitled to deduct from its taxable capital, as defined in this Chapter, its investments in and advances to one or more subsidiaries, whether made directly or indirectly, in computing its franchise tax as provided herein.

(2) For purposes of this Subsection, “subsidiaries” shall be defined as any corporation, as provided for in R.S. 47:601(C), that is subject to the franchise tax imposed by R.S. 47:601(A), and in which at least eighty percent of the voting and nonvoting power of the stock, membership, partnership, or other ownership interests are owned, directly or indirectly, by a corporation subject to the franchise tax imposed by R.S. 47:601(A).

(3) The amount of the deductions allowed by this Subsection shall be the sum of the amounts determined by multiplying parent corporation’s investments in and advances to each subsidiary by each subsidiary’s average ratio, as determined pursuant to R.S. 47:606.

(4) Any direct or indirect subsidiary of a regulated company, as provided for in R.S. 47:602(C), that directly owns at least eighty percent of the voting power of the stock, membership, partnership, or other ownership interests in a “public-utility company”, as defined by the Public Utility Holding Company Act of 1935 prior to its repeal, may use the holding company deduction provided in this Subsection with respect to investments in and advances to subsidiary corporations or subsidiary limited liability companies to calculate its taxable capital.

(H) The deduction for “investments in and advances to” as provided for in this Section shall only include amounts included in the taxable capital of the recipient.

§611. Newly taxable corporation

A. Every corporation or other entity subject to the franchise tax shall pay only an initial tax of one hundred ten dollars in the first accounting period or fraction thereof in which it becomes subject to the tax levied herein. The tax is first due immediately on the corporation’s becoming taxable under this Chapter and is payable on or before the fifteenth day of the third month after the month in which the tax is due. After the first closing of the corporate books, the tax is payable as provided in R.S. 47:609, subject to the minimum tax as provided in this Section.

B. Notwithstanding the provisions of this Section, the initial tax of an entity in existence and actually conducting business in Louisiana during its previous calendar or fiscal year shall be calculated pursuant to R.S. 47:609, based on its corporate books on the first day of the calendar or fiscal year in which the tax levied under this Chapter becomes due and shall be payable on or before the date otherwise required by this Section.

Section 3. The provisions of this Act shall be applicable to taxable periods beginning on or after January 1, 2017.

Section 4. This Act shall become effective upon signature by the governor or, if not signed by the governor, upon expiration of the time for bills to become law without signature by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on the day following such approval.

Approved by the Governor, March 10, 2016.

A true copy:

Tom Schedler
Secretary of State

ACT No. 13
HOUSE BILL NO. 27
BY REPRESENTATIVE COX
AN ACT

To amend and reenact R.S. 26:341(A) and 342, relative to the excise tax on alcoholic beverages; to increase the rate of the excise tax levied on alcoholic beverages; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 26:341(A) and 342 are hereby amended and reenacted to read as follows:

§341. Tax on beverages of high and low alcoholic content; importers of wine

A. The following excise or license taxes are levied on all beverages of high alcoholic content handled in Louisiana:

(1) Liquors; at the rate of sixty-eighty cents per liter.

(2) Sparkling wines; forty-two fifty-five cents per liter.

(3) Still wines:

(a) Of an alcoholic content of not more than fourteen percent by volume—at the rate of three twenty cents per liter.

(b) Of an alcoholic content of more than fourteen percent by volume but no more than twenty-four percent by volume—at the rate of thirty-five cents per liter.

(c) Of an alcoholic content of more than twenty-four percent by volume—at the rate of forty-two fifty-five cents per liter.

(4) Malt beverages; at the rate of ten dollars twelve dollars and fifty cents per barrel containing not more than thirty-one standard gallons and at a like rate for fractional parts of a barrel.

§342. Tax on beverages of low alcoholic content

There is levied and imposed on all beverages of low alcoholic content handled in Louisiana an excise tax of ten dollars twelve dollars and fifty cents per barrel containing not more than thirty-one gallons, and at a like rate for fractional parts of a barrel.

There is levied and imposed on all beverages of low alcoholic content handled in Louisiana an excise tax of ten dollars twelve dollars and fifty cents per barrel containing not more than thirty-one gallons, and at a like rate for fractional parts of a barrel.

There is levied and imposed on all beverages of low alcoholic content handled in Louisiana an excise tax of ten dollars twelve dollars and fifty cents per barrel containing not more than thirty-one gallons, and at a like rate for fractional parts of a barrel.

Section 2. The increase in the excise tax on alcoholic beverages imposed by this Act shall apply to all alcoholic beverages on or after April 1, 2016, in accordance with the provisions of R.S. 26:344. The tax increase on sparkling wine or still wine shall apply to all products shipped directly to consumers on or after April 1, 2016, in accordance with the provisions of R.S. 26:359.

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

Approved by the Governor, March 10, 2016.

A true copy:

Tom Schedler
Secretary of State

ACT No. 14
HOUSE BILL NO. 39
BY REPRESENTATIVES STOKES, BAGNERIS, AND WILLMOTT
AN ACT

To amend and reenact R.S. 47:551, relative to automobile rental tax; to levy an automobile rental tax; to provide for collection and distribution of the tax; to provide for certain definitions; to authorize promulgation of rules; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:551 is hereby amended and reenacted to read as follows:

§551. Imposition of tax

A. There is hereby levied for the period from August 1, 1990 through June 30, 2012, a state tax of two and one-half percent and a local tax of one-half of one percent of the gross proceeds derived from the lease or rental of an automobile in this state in a corporate capacity.
automobile pursuant to an automobile rental contract, less any sales and use tax included in such contract. The tax shall be in addition to any tax, fee, or license imposed directly or indirectly. The tax shall not apply to any automobile rented by an insurance company as a replacement vehicle for a policyholder or by an automobile dealer as a replacement vehicle while a customer’s vehicle is being serviced or repaired, nor shall the tax apply to any individual or business who rents a vehicle as a replacement vehicle while his vehicle is being repaired if the individual presents to the renter upon return of the rented vehicle a copy of the repair or service invoice.

B. The tax shall be payable to the secretary of the Department of Revenue. The tax shall be collected and payment enforced pursuant to the provisions of Chapter 2 of Subtitle II of Title 47 of the Louisiana Revised Statutes of 1950 insofar as such provisions are not in conflict with this Section. The secretary is authorized to promulgate rules and regulations necessary for the proper administration and enforcement of this Chapter.

C. For purposes of this Chapter “automobile rental contract” shall mean all agreements for the rental of an automobile without a driver designated to carry less than nine passengers and whose primary purpose is not the transport of freight or goods, for a period of not more than twenty-nine calendar days. Rental agreements for a period of more than twenty-nine calendar days shall not be subject to the tax, unless the actual period of the rental agreement is less than twenty-nine days as a result of the exercise of a cancellation clause.

D.(1) The local tax as provided in Subsection A of this Section shall be remitted to the secretary of the Department of Revenue who shall collect said tax as an agent of local government. The secretary may assess a collection fee, not to exceed one-half of one percent of the proceeds of the tax, as reimbursement for the actual cost of collection.

(2) The secretary shall distribute monthly the proceeds of the tax to the central local sales and use tax collector or, if none, the parish governing authority shall distribute at no charge the tax proceeds received from the secretary to each political subdivision in the parish which levies a sales and use tax in accordance with each such political subdivision’s pro rata share of local sales and use tax receipts collected to the total of all such taxes collected within the parish.

(3) The local tax as provided in Subsection A of this Section which is collected in Jefferson Parish shall be distributed as follows:

(a) One-third of the tax shall be distributed to Jefferson Performing Arts Society for programs on the east and west bank and one-third of that amount shall be distributed to the Westwego Performing Arts Center. One-third of the tax shall be distributed to the city of Westwego for promotion of arts and recreation.

(b) Notwithstanding the provisions of Subparagraph (a) of this Paragraph, the local tax as provided in Subsection A of this Section which is collected in Orleans Parish shall be distributed for road repairs and beautification projects.

(i) Twenty-five percent to the Downtown Development District of New Orleans;

(ii) Seventy-five percent to the New Orleans Council on Aging.

(5) The local tax as provided in Subsection A of this Section that is collected in Bossier Parish shall be distributed to the Bossier Parish Council on Aging.

(6) The local tax as provided in Subsection A of this Section that is collected in Caddo Parish shall be distributed as follows:

(a) Eighty percent of the tax shall be distributed to Louisiana State University and Agricultural and Mechanical College Medical School at Shreveport.

(b) Twenty percent of the tax shall be distributed to the Caddo Parish Council on Aging.

(7) The local tax as provided in Subsection A of this Section that is collected in Calsieuc Parish shall be distributed to Airport District Number One of Caddo Parish for the maintenance and operation of the Lake Charles Regional Airport.

(8) The local tax as provided in Subsection A of this Section that is collected in East Baton Rouge Parish shall be distributed as follows:

(a) Forty percent to the East Baton Rouge Council on Aging.

(b) Forty percent to Capital Area Human Services.

(c) Twenty percent to the Arts Council of Greater Baton Rouge for its operations and programs.

(9) The local tax provided in Subsection A of this Section which is collected in Lafourche Parish shall be distributed to the Special Education District No. 1.

(10) The local tax provided in Subsection A of this Section, which is collected in Terrebonne Parish shall be distributed as follows:

(a) One-third of the tax shall be distributed to the Houma Downtown Development Corporation.

(b) One third of the tax shall be distributed to the South Louisiana Wetlands Discovery Center.

(c) One-third of the tax shall be distributed to the Terrebonne ARC.

(11) The local tax provided in Subsection A of this Section which is collected in St. Mary Parish shall be distributed to the St. Mary Parish Council on Aging.

(12) The local tax provided in Subsection A of this Section, which is collected in West Carroll Parish shall be distributed to the West Carroll Council on Aging.

(13) The local tax provided in Subsection A of this Section, which is collected in East Carroll Parish shall be distributed to the East Carroll Council on Aging.

(14) The local tax provided in Subsection A of this Section, which is collected in Madison Parish shall be distributed to the Madison Council on Aging.

(15) The local tax provided in Subsection A of this Section, which is collected in Richland Parish shall be distributed to the Richland Council on Aging.

(16) The local tax provided in Subsection A of this Section, which is collected in Morehouse Parish shall be distributed to the Morehouse Council on Aging.

(17) The local tax provided in Subsection A of this Section, which is collected in Ouachita Parish shall be distributed half each to the Ouachita Council on Aging and the West Ouachita Senior Center.

(18) The local tax provided in Subsection A of this Section, which is collected in Union Parish shall be distributed to the Union Council on Aging.

(19) The local tax provided in Subsection A of this Section, which is collected in Lincoln Parish shall be distributed to the Lincoln Council on Aging.

(20) The local tax provided in Subsection A of this Section, which is collected in Jackson Parish shall be distributed to the Jackson Council on Aging.

(21) The local tax provided in Subsection A of this Section, which is collected in Winn Parish shall be distributed to the Winn Council on Aging.

(22) The local tax provided in Subsection A of this Section, which is collected in Grant Parish shall be distributed to the Grant Council on Aging.

(23) The local tax provided in Subsection A of this Section, which is collected in Rapides Parish shall be distributed to the Rapides Council on Aging.

(24) The local tax provided in Subsection A of this Section, which is collected in Caldwell Parish shall be distributed to the Caldwell Council on Aging.

Section 2. This Act shall become effective April 1, 2016.

Approved by the Governor, March 10, 2016.

A true copy

Tom Schedler

Secretary of State

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ACT No. 15

BY REPRESENTATIVES WHITE AND COX

AN ACT

To amend and reenact R.S. 47:306(A)(3)(a), relative to state sales and use tax; to provide for the amount of dealer compensation for the accounting for and the remittance of taxes to the state; to provide for applicability; to provide for effectiveness; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:306(A)(3)(a) is hereby amended and reenacted to read as follows:

§306. Returns and payment of tax; penalty for absorption

A. General provisions.

* * *

(3)(a) For the purpose of compensating the dealer in accounting for and remitting the tax levied by this Chapter, each dealer shall be allowed .935 percent of the amount of tax due and accounted for and remitted to the secretary in the form of a deduction in submitting his report and paying the amount due by him, provided the amount of any credit claimed for taxes already paid to a wholesaler shall not be deducted in computing the commission allowed the dealer hereunder. The aggregate state compensation for a dealer who operates one or more business locations within Louisiana shall not exceed one thousand five hundred dollars per calendar month. This compensation shall be allowed only if the payment of
the dealer is timely paid and the return is timely filed. Notwithstanding any
other provision of law, the calculation of this deduction shall be based only
on the taxes levied pursuant to R.S. 47:3205, 321, 331, and R.S. 51:1296. There
shall be no compensation for the taxes accounted for and remitted pursuant
to R.S. 47:3211 or any other sales tax levied by the state.

* * *

Section 2. This Act shall become effective on April 1, 2016, and shall be
applicable to all taxable transactions occurring on or after April 1, 2016.

A true copy:
Tom Schedler
Secretary of State

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ACT No. 16
HOUSE BILL NO. 55
BY REPRESENTATIVES LEGER AND CARPENTER
AN ACT
To enact R.S. 47:287.82, relative to corporate income tax; to provide with
respect to certain corporate deductions; to require that certain deductible
items and costs be added-back when computing corporate income tax
liability; to provide for certain limitations; to provide for applicability;
and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:287.82 is hereby enacted to read as follows:
§287.82. Corporate deductions; add-back of certain intangible expenses;
interest and management fees

A.(1) For purposes of computing a corporation’s Louisiana net income,
a corporation shall add-back otherwise deductible interest expenses and
costs, intangible expenses and costs, and management fees directly
or indirectly paid, accrued, or incurred to, or in connection directly or
indirectly with one or more direct or indirect transactions, with one or more
related members, except to the extent the corporation shows, upon request
of the secretary of the Department of Revenue that the corresponding item
of income was in the same taxable year either subject to a tax based on or
measured by the related member’s net income in Louisiana or any other
state, or was subject to a tax based on or measured by the related member’s
net income by a foreign nation which has an enforceable income tax treaty
with the United States, if the recipient was a “resident” as defined in the
income tax treaty with the foreign nation. For purposes of this Subsection,
the term “subject to a tax based on or measured by the related member’s
net income” shall mean that receipt of the payment by the recipient-related
member is timely paid and the return is timely filed. Notwithstanding any
other provision of law, the calculation of this deduction shall be based only
on the taxes levied pursuant to R.S. 47:3205, 321, 331, and R.S. 51:1296. There
shall be no compensation for the taxes accounted for and remitted pursuant
to R.S. 47:3211 or any other sales tax levied by the state.

* * *

Section 2. This Act shall become effective on April 1, 2016, and shall be
applicable to all taxable transactions occurring on or after April 1, 2016.

A true copy:
Tom Schedler
Secretary of State

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ACT No. 17
HOUSE BILL NO. 59
BY REPRESENTATIVE MORENO
AN ACT
To amend and reenact R.S. 47:301(4)(f) and (6)(a), relative to sales and use tax
on hotels; to provide certain definitions for purposes of imposing the state sales and use tax; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:301(4)(f) and (6)(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:

* * *

(4) “Dealer” includes every person who manufactures or produces tangible
personal property for sale at retail, for use, or consumption, or distribution,
or for storage to be used or consumed in a taxing jurisdiction. “Dealer” is
further defined to mean:

* * *

(f)(i) Any person, who sells or furnishes any of the services subject to tax
under this Chapter.

(ii) Under guidelines enacted by the Legislature of Louisiana during the
2016 Regular Session, any person engaged in collecting the amount required
to be paid by a transient guest as a condition of occupancy at a residential
location as provided for in R.S. 47:301(6)(a)(i).

(iii) For purposes of this Chapter, dealer shall not include persons leasing
apartments or single family dwellings on a month-to-month basis.

* * *

(6)(a) “Hotel” means and includes any establishment or person 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 any of the following:

(i) A single business location.

(ii) A residential location, including but not limited to a house, apartment,
condominium, camp, cabin, or other building structure used as a residence.

(iii) For purposes of this Chapter, hotel shall not mean or include any
establishment or person leasing apartments or single family dwelling on a
month-to-month basis.

* * *

Section 2. The provisions of this Act shall become effective July 1, 2016.

Approved by the Governor, March 10, 2016.

A true copy:
Tom Schedler
Secretary of State

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ACT No. 18
HOUSE BILL NO. 71
BY REPRESENTATIVES BARRAS, ABRAMSON, ADAMS, AMEDEE,
BISHOP, BROOKHURST, BROADWATER, COX, DANAHAY, DAVIS, GLOVER, HILFERTY,
HOFFMANN, JAMES, MAGEE, GREGORY MILLER, NORTON, PEARSON,
PUGH, STOKES, WILLIOM, AND ZERINGUE AND SENATOR WALSHOUR
AN ACT
To amend and reenact R.S. 51:1787(A)(2)(a) and (3) and (B)(3)(c) and (5) and
and conditions comparable to a similar arm’s length transaction between
unrelated parties, the transaction shall be presumed to not have as its
principal purpose tax avoidance, subject to rebuttal by the secretary of the
Department of Revenue.

(3) The adjustments required in this Subsection shall not apply to that
portion of interest expenses and costs, intangible expenses and costs, and
management fees between the corporation and the related member did not have as a principal purpose the avoidance of
any Louisiana tax. If the transaction giving rise to the interest expenses and
costs, intangible expenses and costs, or the management fees between the corporation and
the related member during the same
taxable year to a person that is not a related member. A corporation shall
not be required to add to its taxable income more than once any amount of
interest expenses and costs, intangible expenses and costs, or management
fees, that the corporation establishes was paid, accrued, or incurred, directly or indirectly, by the related member during the same
taxable year to a person that is not a related member. A corporation shall
not be required to add to its taxable income more than once any amount of
interest expenses and costs, intangible expenses and costs, or management
fees, that the corporation establishes was paid, accrued, or incurred, directly or indirectly, by the related member during the same

B. Nothing in this Section shall be construed to allow any item to be
 deducted more than once, or to allow a deduction for any item that is
 excluded from income, or to allow any item to be included in the Louisiana
taxable income of more than one taxpayer.

Section 2. The provisions of this Act shall be applicable to all tax years
beginning on and after January 1, 2016.

* As it appears in the enrolled bill
A. The board, after consultation with the secretaries of the Department of Economic Development and Department of Revenue, and with the approval of the governor, may enter into contracts not to exceed five years to provide:

(1) For either:

- * * *

(c) For projects for which the advance notification is filed on or after April 1, 2016, the amount of the rebate of sales and use taxes and the investment income tax credit granted pursuant to the provisions of this Paragraph shall not exceed one thousand dollars per net new job created under this Chapter.

(ii) A business shall not receive any sales and use tax rebate or refundable investment income tax credit until it has provided all documentation, including filing the annual certification report as required by rule, and has shown proof of the creation of the net new jobs.

(iii) For purposes of determining the maximum rebate or income tax credit allowed, each net new job shall only be counted once. The limitation provided for in this Subparagraph shall only apply to the sales and use tax rebates and refundable investment income tax credits granted to businesses participating in the Enterprise Zone Program.

- * * *

(2)(a) Except as provided in Subparagraph (b) of this Paragraph, for a two thousand five hundred dollar tax credit per net new employee as determined by the company's average annual employment reported under the Louisiana Employment Security Law during the taxable year for which credit is claimed. For projects for which the advance notification form is filed on or after April 1, 2016, the amount of the credit provided for in this Subparagraph shall be one thousand dollars per net new employee, unless either the net new employee for which the credit is claimed was receiving Supplemental Nutrition Assistance Program (SNAP), Women, Infants, and Children (WIC), Medicaid, unemployment benefits, or any other benefits from a similar public assistance program, or was provided for in rule by the Department of Economic Development, during the six-month period prior to employment or the net new employee is hired by a participating business located in an enterprise zone. The amount of the credit for each net new employee meeting these qualifications shall be three thousand five hundred dollars. This tax credit may be applied to any state income tax liability or any state corporate franchise tax liability, but not liabilities for penalty or interest, due or outstanding at the time the credit is generated. However, credits may be applied to a due or outstanding tax liability attributable to tax years prior to the year in which the credit is generated only if the tax liability is the result of an assessment, administrative, or judicial proceeding by the Department of Revenue after an audit, provided that no further interest or penalty shall be accrued on such tax liability after the credit is generated. If the entire credit cannot be used in the year claimed, the remainder may be applied against the income tax or corporate franchise tax for the succeeding ten taxable years or until the entire credit is used, whichever occurs first. These credits shall also apply to those tax liabilities, but not liabilities for penalty or interest, identified in tax years where existing contracts generate the credit.

- * * *

(3) The tax credit provided in Paragraph (2) of this Subsection shall be applicable as follows:

(a) For projects for which an advance notification was filed before April 1, 2016, only to a position within the state that did not previously exist in the business enterprise and that is filled by a person who is a citizen of the United States and who is domiciled in Louisiana, or who is a citizen of the United States and becomes domiciled in Louisiana within sixty days after his employment in such position, performing duties in connection with the operation of the business enterprise as a regular, full-time employee.

(b) For projects for which an advance notification was filed on or after April 1, 2016, only to a position within the state that is in excess of the median statewide number of employees of the business, including affiliates, that did not previously exist in the business enterprise prior to the contract effective date and that is filled by a person who is a citizen of the United States and who is domiciled in Louisiana, or who is a citizen of the United States and becomes domiciled in Louisiana within sixty days after his employment in such position, performing duties in connection with the operation of the business enterprise as a regular, full-time employee.

(c) The total number of credits allowed to a business enterprise for employees who are citizens of the United States and who become domiciled in Louisiana within sixty days after employment shall not exceed fifty percent of the total number of credits allowed to the business enterprise under the contract.

(b) The board may enter into the contracts provided in Subsection A of this Section provided that:

- * * *

(3)

- * * *

(c) Notwithstanding any other provision of law to the contrary, a business that is assigned a North American Industry Classification Code of 5613 or 721, and whose advance notification is not filed before April 1, 2016, shall be ineligible to receive benefits pursuant to the provisions of this Section.

(d) The certifications required by Subparagraph (a) of this Paragraph shall be updated annually if the business is to continue receiving the benefits of this Chapter.

- * * *

(5)(a) Except as provided in Subparagraph (b) of this Paragraph, the business creates a * either: *

(i) A maximum of the lesser of five net new permanent jobs to be in place within the first two years of the contract period, as determined by the company's average annual employment reported under the Louisiana Employment Security Law.

(ii) The number of net new jobs equal to a minimum of ten percent of the existing employees, minimum of one, within the first year of the contract period, as determined by the company's average annual employment reported under the Louisiana Employment Security Law.

(b) For purposes of Subparagraph (a) of this Paragraph, the methodology for determining a company's average annual employment shall be established by department rule.

(c) A business which has an estimated construction period for its building greater than two years may, for good cause shown, obtain an extension of not more than two years to comply with the requirements of Subparagraph (a) of this Paragraph.

(d) Provided the business entering the contract provided in Subsection A of this Section is a nonprofit organization organized to finance the development and construction of buildings and infrastructure to serve a public institution of higher education, the new permanent jobs required in Subparagraph (b)(5)(a) of this Section may be created by the public institution of higher education.

(4) The provisions of this Section shall be applicable to all contracts entered into under the provisions of Subsection A after January 1, 2002.

(5) For purposes of R.S. 51:2456(B), a business shall be deemed to meet the enterprise zone hiring requirements and all other limitations, procedures, and requirements of this Section if the business meets the requirements of R.S. 51:2455/F(1).

(6) For purposes of R.S. 51:3121(C)(4), a business shall be deemed to meet the enterprise zone hiring requirements and all other limitations, procedures, and requirements of this Section if the business creates a minimum of five new jobs in accordance with the program contract.

- * * *

K. The department shall not accept any advance notification on or after July 1, 2017.

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

Approved by the Governor, March 10, 2016.

A true copy:

Tom Schedler
Secretary of State

ACT No. 19

HOUSE BILL NO. 118
BY REPRESENTATIVES BARRAS AND HENRY AND SENATORS ALARIO AND LAFLEUR
AN ACT
To appropriate funds and to provide for certain reductions in appropriations of the Louisiana Judiciary for Fiscal Year 2015-2016; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. The Chief Justice of the Supreme Court, or her duly authorized and appointed agent, is hereby authorized and directed to reduce the State General Fund (Direct) appropriations contained in Act No. 66 of the 2015 Regular Session of the Legislature in the amount of Three Million Nine Hundred Ninety-One Thousand One Hundred Twenty and No/100 ($3,991,120.00) Dollars.

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

Approved by the Governor, March 10, 2016.

A true copy:

Tom Schedler
Secretary of State
To appropriate funds and to provide for certain reductions in appropriations of the Louisiana Legislature for Fiscal Year 2015-2016; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. The Legislative Budgetary Control Council is hereby authorized and directed to reduce the State General Fund (Direct) appropriation contained in Act No. 76 of the 2015 Regular Session of the Legislature for the Louisiana Legislature in the amount of One Million Five Hundred Eighty-Nine Thousand Two Hundred Seven and No/100 ($1,589,207.00) Dollars.

Section 2A. The Legislative Budgetary Control Council is hereby authorized and directed to reduce the Fees and Self-Generated Revenue appropriation contained in Act No. 76 of the 2015 Regular Session of the Legislature for the Louisiana Legislature in the amount of Four Hundred Forty Thousand Thirty-Six and No/100 ($444,036.00) Dollars.

B. The treasurer is authorized and directed to transfer the Fees and Self-Generated Revenues reduced in this Section to the State General Fund.

Section 3. This Act shall become effective upon signature by the governor or, if not signed by the governor, upon expiration of the time for bills to become law without signature by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on the day following such approval.

Approved by the Governor, March 10, 2016.

A true copy:

Tom Schedler
Secretary of State

ACT No. 22

HOUSE BILL NO. 30

BY REPRESENTATIVES LEGER, CARPENTER, AND WHITE

AN ACT

To amend and reenact R.S. 47:302(K)(5) and (7)(a) and (U) and to enact R.S. 47:302(V) and (W), relative to sales and use tax; to provide for the definition of dealer; to provide a method for reporting and remitting taxes by certain dealers; to provide for refunds in certain circumstances; to provide for applicability; to provide for effectiveness; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:302(K)(5) and (7)(a) and (U) are hereby amended and reenacted and R.S. 47:302(V) and (W) are hereby enacted to read as follows:

§302. Imposition of tax

K. An additional tax shall be levied as follows:

(5) The tax levied under this Subsection shall be levied and collected only from vendors who qualify as a “dealer” in this state solely by virtue of

engaging in regular or systematic solicitation of a consumer market in this state by the distribution of catalogs, periodicals, advertising fliers, or other advertising, or by means of print, radio, or television media, including but not limited to newspapers, television shopping channels, by mail, telegraphy, telephones, computer database, cable, optic, microwave, or other communication system.

A vendor who qualifies as a dealer in this state as provided in R.S. 47:301(4) is prohibited from collecting the tax imposed under this Subsection in lieu of collecting the sales and use tax imposed by a political subdivision of this state which tax is remitted directly to the political subdivision.

(7)(a) Pursuant to an appropriation by the legislature. From the current collections of the tax collected under this Subsection, the secretary shall make the following distributions:

(i) The secretary shall annually provide for an interagency transfer in the amount of one million three hundred thirty-two thousand dollars to the Department of State Civil Service, Board of Tax Appeals, to be expended exclusively for the purposes of its Local Tax Division; and thereafter distribute the proceeds of the tax.

(ii) All monies remaining after satisfaction of the requirements of Item (i) of this Subparagraph shall be distributed quarterly to the central local sales and use tax collector or, if none, the parish governing authority according to population. The central local sales and use tax collector or the parish governing authority shall at no charge distribute the tax proceeds received from the secretary to each political subdivision within the parish which levies a sales and use tax or receives a portion of the proceeds of a central local sales and use tax. The tax levied herein with regard to non-arm’s length transactions by such subdivision’s pro rata share of local sales and use tax receipts collected on all other transactions subject to local sales and use taxes during the most recent state fiscal year for which data is available within thirty days of receipt of the proceeds.

*   *   *

U. Collection of consumer use tax. It is the duty of the secretary of the Department of Revenue to collect all taxes imposed pursuant to this Chapter and Chapters 2-A and 2-B of this Subtitle which may be due upon the sale by a remote seller of tangible personal property or services in Louisiana. The secretary is authorized and directed to employ all means available to ensure the collection of the tax in an equitable, efficient, and effective manner.

V(1) In addition to the definition of “dealer” as provided in R.S. 47:301(4) for purposes of the consumer use tax, the term “dealer” includes every person who manufactures or produces tangible personal property for sale and later resells such property for a fee, commission, or other consideration of any kind engaged in activities in this state that inure to the benefit of that person as a dealer of tangible personal property or services in a taxing jurisdiction. “Dealer” is further defined to mean:

(a) Any person engaging in business in the taxing jurisdiction which shall mean the solicitation of business through an independent contractor or any other representative pursuant to an agreement with a Louisiana resident or business, for a commission, referral fee, or other consideration of any kind, directly or indirectly, refers potential customers, whether by link on an internet website, an in-person oral presentation, telemarketing, or otherwise to the seller. If the cumulative gross receipts from sales of tangible personal property to customers in this state which are referred to the person through such an agreement exceed the fifty thousand dollars during the preceding twelve months, the presumption regarding the status of that person as a dealer may be rebutted if the person can demonstrate, to the satisfaction of the secretary, that he cannot reasonably be expected to have gross receipts in excess of fifty thousand dollars for the preceding twelve months.

(b) Any person selling tangible personal property or services, the use of which is taxed pursuant to this Chapter, who:

(i) Sells the same or a substantially similar line of products as a Louisiana retailer under the same or substantially similar business name, using the same trademarks, service marks, or trade names that are the same or substantially similar to those used by the Louisiana retailer.

(ii) Solicits business and develops and maintains a market in Louisiana through an agent, salesman, independent contractor, solicitor, or other representative pursuant to an agreement with a Louisiana resident or business, hereinafter referred to collectively as an “affiliated agent”, under which the affiliated agent, for a commission, referral fee, or other consideration of any kind, directly or indirectly, refers potential customers, whether by link on an internet website, by mail, telegraphy, telephone, computer database, cable, optic, microwave, or other communication system.

(c) In addition to those persons established as dealers according to Subparagraph (b) of this Paragraph, the provisions of this Subsection shall apply to any person who: (1) maintains a substantial ownership interest, directly or through a subsidiary, in a retailer maintaining sales locations in Louisiana, or to any person who is owned
in whole or in substantial part by a retailer maintaining sales locations in Louisiana, or by a parent or subsidiary thereof. For purposes of this Paragraph, "substantial ownership interest" means affiliated persons with respect to each other where one of such persons has an ownership interest of more than five percent, whether direct or indirect, in the other, or where an ownership interest of more than five percent, whether direct or indirect, is held in each of such persons by another person or by a group of other persons which are affiliated persons with respect to each other.

(3) A dealer, as defined in and for the purposes of this Subsection, shall file all applicable sales and use tax collector or central collection commission a use tax return and to remit the correct and full amount of use tax due pursuant to the provisions of all applicable local ordinances, hereinafter referred to as "paid local use tax return".

(4) If a dealer has withheld and remitted tax for a specific purchase pursuant to the provisions of this Subsection from a taxpayer who subsequently files a paid use local tax return, the taxpayer may file an annual use tax refund request with the secretary, hereinafter referred to as "refund request".

(5) A refund request shall be filed in a manner to be determined by the secretary, which may include electronic filing. The refund request may be made once per calendar year, and shall be accompanied by a copy of both of the following:

(a) All relevant paid local use tax returns.

(b) An affidavit affirming that the delivery and use of the taxable property will occur in a parish in which there is no use tax imposed by any local taxing authority, which affidavit has been filed with the local sales and use tax commission established under Paragraph (K)(6) of this Section.

(6) The secretary shall pay any refund due pursuant to this Subparagraph from current collections of any tax levied pursuant to Subsection K of this Section.

(7) The denial of any refund, or the failure to act within one year of the filing of the refund request, shall be appealable in the same manner as is provided for in R.S. 47:1623.

Section 2. The provisions of this Act shall apply to tax periods beginning on and after April 1, 2016. If the United States Congress enacts legislation authorizing states to require a remote seller to collect sales taxes on taxable transactions, such legislation shall preempt the provisions of R.S. 47:302(V) and the Department of Revenue shall have the authority to promulgate, after consultation with the sales tax commission created by R.S. 47:302(K)(6), regulations under the Louisiana Administrative Procedure Act to carry out the provisions of the federal legislation. The Department of Revenue shall begin to promulgate such rules within ninety days of the effective date of the federal legislation.

Section 3. This Act shall become effective upon signature by the governor or, if not signed by the governor, upon expiration of the time for bills to become law without signature by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on the day following such approval.

Approved by the Governor, March 14, 2016.

A true copy:
Tom Schedler
Secretary of State

ACT No. 24

HOUSE BILL NO. 116
BY REPRESENTATIVE IVEY

To amend and reenact R.S. 47:287.86(C)(2), relative to the net operating loss deduction; to provide for the order of loss years from which a net operating loss may be carried over; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:287.86(C)(2) is hereby amended and reenacted as follows:

§287.86. Net operating loss deduction

* * *

C. Manner and amount of carryovers. For all claims for this deduction on any return filed on or after July 1, 2015, regardless of the taxable year to which the return relates, the entire amount of Louisiana net loss for any taxable year, hereinafter the “loss year”, shall be carried over to the earliest of the taxable years allowed. The portion of such loss which shall be carried to each of the other taxable years allowed by Subsection B shall be the excess, if any, of the amount of such loss over the aggregate of the Louisiana taxable income for each of the taxable years to which such loss may be carried. For the purposes of this Subsection:

* * *

(2) In calculating the aggregate Louisiana taxable incomes in cases where more than one loss year must be taken into account, the various net operating loss carryovers to such taxable year are considered to be applied in reduction of Louisiana net income in the order of the taxable years from...
which such losses are carried over, beginning with the loss for the earliest taxable year.

Section 2. The provisions of this Act shall become effective on January 1, 2017.

Approved by the Governor, March 10, 2016.

A true copy:

Tom Schedler
Secretary of State

ACT No. 25

HOUSE BILL NO. 61
BY REPRESENTATIVE JAY MORRIS
AN ACT

To amend and reenact R.S. 47:301(7)(h) and (14)(b)(i) and 331(P) and (Q) to enact R.S. 47:302 (V), (W), and (X), 321(L), (M), (N), and (O), and 331(S), (T), and (U), and to repeal Section 4 of Act No. 386 of 1990, relative to state sales and use taxes; to provide with respect to the applicability of certain exclusions and exemptions from the state sales and use tax base; to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:301(7)(h) and (14)(b)(i), and 331(P) and (Q) are hereby amended and reenacted and R.S. 47:302 (V), (W), and (X), 321(L), (M), (N), and (O), and 331(S), (T), and (U) are hereby enacted 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:

(7)

(b) 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) R.S. 32:1252(15), or vehicle manufacturers, as defined in R.S. 32:1252(11) R.S. 32:1252(24), 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.

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

(b)(i) (aa) 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

(bb) 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.

§302. Imposition of tax

V. Notwithstanding any other provision of law to the contrary, including but not limited to any contrary provisions of this Chapter, for the period April 1, 2016 through July 1, 2016, the following exclusions and exemptions to the tax levied pursuant to the provisions of this Section shall be the exclusive list of allowable exemptions and exclusions.

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

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

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

(4) Water, as provided in Article VII, Section 2.2 of the Constitution of Louisiana.

(5) Prescription drugs, as provided in Article VII, Section 2.2 of the Constitution of Louisiana.

(6) Gasoline and other motor fuels subject to the state excise tax on fuel.

(7) Sales to the United States government and its agencies, as provided in R.S. 47:301(10)(c).

(8) Sales of raw agricultural products, as provided in R.S. 47:301(10)(e) and 305(A)(5).

(9) Lease or rentals of railroad rolling stock as provided in R.S. 47:301(4) (k), piggyback trailers as provided in R.S. 47:305.45, and certain trucks and trailers in interstate commerce as provided in R.S. 47:305.50(A) and (B).

(10) Tangible personal property for resale as provided in R.S. 47:301(10)(a).

(11) Feed and feed additives for animals held for business purposes as provided in R.S. 47:303(A)(4).

(12) Farm products produced and used by farmers as provided in R.S. 47:305(B).

(13) Sales of fertilizers and containers to farmers as provided in R.S. 47:305(D)(1)(f).

(14) Sales of seeds for planting crops as provided in R.S. 47:305.3.

(15) Sales of pesticides for agricultural purposes as provided in R.S. 47:305.

(16) Purchases, use, and lease of manufacturing machinery and equipment as provided in R.S. 47:301(3)(a)(i), 13(1)k and 23(1)(a).

(17) Sales of materials for further processing as provided in R.S. 47:301(10)(c)(a).

(18) Sale of 50-ton vessels and new component parts and sales of certain materials and services to vessels operating in interstate commerce as provided in R.S. 47:305.1 (A) and (B).

(19) Louisiana Tax Free Shopping Program for international visitors as provided in R.S. 51:1301.

(20) Sales of farm equipment used in poultry production as provided in R.S. 47:301(10)(c).

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

(22) Sales of livestock, poultry and other farm products and sales at public livestock auctions as provided in R.S. 47:305(A)(1) and (2).

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

(24) First fifty thousand dollars of farm equipment purchases as provided in R.S. 47:305.55.

(25) Fuel used on the farm as provided in R.S. 47:305.37.

(26) Taxation of electrical cooperatives as provided in R.S. 12:425.

(27) Overhaul of naval vessels as provided in R.S. 47:301(7)(c) and (14)(b).

(28) Purchases by state and local governments as provided in R.S. 47:301(8).

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

(30) Parish councils on aging as provided in R.S. 47:305.66.

(31) Articles traded in on purchases of tangible personal property as provided in R.S. 47:301(13)(a).

(32) A factory built home as provided in R.S. 47:301(16)(c).

W. The provisions of Subsection V of this Section shall supercede and control to the extent of conflict with any other provision of law.

X. Notwithstanding the provisions of Subsection V of this Section, no amount of additional revenue shall be remitted to any tax increment financing district.

§321. Imposition of tax

L. Notwithstanding any other provision of law to the contrary, including but not limited to any contrary provisions of this Chapter, for the period April 1, 2016 through July 1, 2016, the following exclusions and exemptions to the tax levied pursuant to the provisions of this Section shall be the exclusive list of allowable exemptions and exclusions.

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

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

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

(4) Water, as provided in Article VII, Section 2.2 of the Constitution of Louisiana.

(5) Prescription drugs, as provided in Article VII, Section 2.2 of the Constitution of Louisiana.

(6) Gasoline and other motor fuels subject to the state excise tax on fuel.

(7) Sales to the United States government and its agencies, as provided in R.S. 47:301(10)(c).

(8) Sales of raw agricultural products, as provided in R.S. 47:301(10)(e) and 305(A)(5).

(9) Lease or rentals of railroad rolling stock as provided in R.S. 47:301(4) (k), piggyback trailers as provided in R.S. 47:305.45, and certain trucks and trailers in interstate commerce as provided in R.S. 47:305.50(A) and (B).

(10) Tangible personal property for resale as provided in R.S. 47:301(10)(a).
(11) Feed and feed additives for animals held for business purposes as provided in R.S. 47:305.(A)(4).
(12) Farm products produced and used by farmers as provided in R.S. 47:305.(B).
(13) Sales of fertilizers and containers to farmers as provided in R.S. 47:305.(D)(1)(k).
(14) Sales of seeds for planting crops as provided in R.S. 47:305.(3).
(15) Sales of pesticides for agricultural purposes as provided in R.S. 47:305.(E).
(16) Sales of materials for further processing as provided in R.S. 47:301.(10)(c)(i)(aa).
(17) Sale of 50-ton vessels and new component parts and sales of certain materials and services to vessels operating in interstate commerce as provided in R.S. 47:305.(A) and (B).
(18) Louisiana Tax Free Shopping Program for international visitors as provided in R.S. 51:1301.
(19) Sales of farm equipment used in poultry production as provided in R.S. 47:301.(13)(c).
(20) Sales of pharmaceuticals administered to livestock for agricultural purposes as provided in R.S. 47:301.(16)(1).
(21) Sales of livestock, poultry and other farm products and sales at public livestock auctions as provided in R.S. 47:305.(A)(1) and (2).
(22) Materials used in the production of crawfish and catfish as provided in R.S. 47:305.(A)(5) and (6).
(23) First fifty thousand dollars of farm equipment purchases as provided in R.S. 47:305.25.
(24) Fuel used on the farm as provided in R.S. 47:305.37.
(26) Overhaul of naval vessels as provided in R.S. 47:301.(7)(c) and (14)(h).
(27) Purchases by state and local governments as provided in R.S. 47:301.(b)(c).
(28) Transactions in interstate commerce and tangible personal property imported into this state, or produced or manufactured in this state, for export as provided in R.S. 47:305.(E).
(29) Parish councils on aging in R.S. 47:305.66.
(30) Articles traded in on purchases of tangible personal property as provided in R.S. 47:301.(13)(a).
(31) A factory built home as provided in R.S. 47:301.(16)(g).
M. The provisions of Subsection L of this Section shall supersede and control to the extent of conflict with any other provision of law.
N. Notwithstanding the provisions of Subsection L of this Section, no amount of additional revenue shall be remitted to any tax increment financing district.
O. Notwithstanding Subsections L and M of this Section, purchases, use, and lease of manufacturing machinery and equipment as provided in R.S. 47:301.(3)(h), (13)(k), and (28)(a) shall be subject to the tax levied in this Section beginning April 1, 2016, through June 30, 2018.

§331. Imposition of tax

P.(1) Notwithstanding any other provision of law to the contrary, except as provided in Paragraph (D) of this Subsection, for the period July 1, 2003, through June 30, 2009, the exemptions to the tax levied by this Section, except for the exemptions provided in R.S. 30:467 and 146, R.S. 47:305.(A)(1), (B), (D)(1)(a)(b), (c), (d), (e), (f), (g), (1), (2), (3), (4), (5), (6), (7), (8), (9), (10), (11), (12), (13), (14), (15), (16), (17), (18), (19), (20), (21), (22), (23), (24), (25), (26), (27), (28), (29), (30), (31), and R.S. 51:1301, shall be inapplicable, inoperable, and of no effect.
(2) For the period July 1, 2004, through December 31, 2005, April 1, 2019, the exemptions to the tax levied by this Section for sales of steam, water, electric power, or energy, and natural gas shall be inapplicable, inoperable, and of no effect as to eighty percent of the tax levied by this Section.

Q. Notwithstanding any other provision of the 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 through March 31, 2016, and for all taxable periods on and after April 1, 2019.

S. Notwithstanding any other provision of law to the contrary, including but not limited to any contrary provisions of this Chapter, for the period April 1, 2016 through July 1, 2016, the following exclusions and exemptions to the tax levied pursuant to the provisions of this Section shall be the exclusive list of allowable exemptions and exclusions:
(1) Food for home consumption, as defined in R.S. 47:305.(D)(1)(n) through (r) on January 1, 2003, as provided in Article VII, Section 2.2 of the Constitution of Louisiana.
(2) Natural gas, as provided in Article VII, Section 2.2 of the Constitution of Louisiana.
(3) Electricity, as provided in Article VII, Section 2.2 of the Constitution of Louisiana.
(4) Water, as provided in Article VII, Section 2.2 of the Constitution of Louisiana.
(5) Prescription drugs, as provided in Article VII, Section 2.2 of the Constitution of Louisiana.
(6) Fuel that is subject to the road-use excise tax, as provided in Article VII, Section 27 of the Constitution of Louisiana.
(7) Sales to the United States government and its agencies, as provided in R.S. 47:301.(10)(c).
(8) Sales of raw agricultural products, as provided in R.S. 47:301.(10)(e) and 305.(A)(9).
(9) Lease or rentals of railroad rolling stock as provided in R.S. 47:301.(4)(k), piggyback trailers as provided in R.S. 47:305.45, and certain trucks and trailers in interstate commerce as provided in R.S. 47:305.50(A) and (B).
(10) Tangible personal property for resale as provided in R.S. 47:301.(10)(a)(i).
(11) Feed and feed additives for animals held for business purposes as provided in R.S. 47:305.(A)(4).
(12) Farm products produced and used by farmers as provided in R.S. 47:305.(B).
(13) Sales of fertilizers and containers to farmers as provided in R.S. 47:305.(D)(1)(k).
(14) Sales of seeds for planting crops as provided in R.S. 47:305.3.
(15) Sales of pesticides for agricultural purposes as provided in R.S. 47:305.8.
(16) Purchases, use, and lease of manufacturing machinery and equipment as provided in R.S. 47:301.(3)(h), (13)(k) and (28)(a).
(17) Sales of materials for further processing as provided in R.S. 47:301.(10)(c)(i)(aa).
(18) Sale of 50-ton vessels and new component parts and sales of certain materials and services to vessels operating in interstate commerce as provided in R.S. 47:305.(A) and (B).
(19) Louisiana Tax Free Shopping Program for international visitors as provided in R.S. 51:1301.
(20) Sales of farm equipment used in poultry production as provided in R.S. 47:301.(13)(c).
(21) Sales of pharmaceuticals administered to livestock for agricultural purposes as provided in R.S. 47:301.(13)(c).
(22) Sales of livestock, poultry and other farm products and sales at public livestock auctions as provided in R.S. 47:305.(A)(5) and (6).
(23) Materials used in the production of crawfish and catfish as provided in R.S. 47:305.(A)(5) and (6).
(24) First fifty thousand dollars of farm equipment purchases as provided in R.S. 47:305.25.
(25) Fuel used on the farm as provided in R.S. 47:305.37.
(26) Taxation of electrical cooperatives as provided in R.S. 12:425.
(27) Overhaul of naval vessels as provided in R.S. 47:301.(7)(c) and (14)(h).
(28) Purchases by state and local governments as provided in R.S. 47:301.(3)(h).
(29) Transactions in interstate commerce and tangible personal property imported into this state, or produced or manufactured in this state, for export as provided in R.S. 47:305.(E).
(30) Parish councils on aging in R.S. 47:305.66.
(31) Articles traded in on purchases of tangible personal property as provided in R.S. 47:301.(3)(h), (13)(k), and (28)(a) shall be subject to the tax levied by this Section beginning April 1, 2016, through June 30, 2018.

THE ADVOCATE
* As it appears in the enrolled bill
CODING: Words in struck through type are deletions from existing law; words underscored (House Bills) and italicized (Senate Bills) are additions.
(2) Except that the rate for health maintenance organizations with enrollment in coverage in the individual market in Louisiana greater than fifty-five thousand individuals shall be sixty percent for every ten thousand dollars of gross annual premiums collected. For purposes of this Paragraph, “individual market” means the market for health coverage offered to individuals other than in connection with a group plan. The Commissioner of Insurance, in consultation with the Secretary of the Department of Health and Hospitals, shall have the authority, by rule-making pursuant to the Administrative Procedure Act, to prescribe rules in order to implement this sub Paragraph or to meet the requirements of federal law or regulations, obtain approval from the Centers for Medicare and Medicaid Services, or to ensure federal financial participation. The commissioner shall not adjust the enrollment numbers described in this Paragraph. This Paragraph shall become effective upon the issuance of any required approval by the Centers for Medicare and Medicaid Services, if approval is not received the rate for health maintenance organizations with enrollment in coverage in the individual market in Louisiana greater than fifty-five thousand individuals in effect before the effective date of the Act creating this Paragraph shall apply.

Section 3. Section 4 of Act No. 386 of the 1990 Regular Session of the Legislature is hereby repealed in its entirety.

Section 4. The provisions of this Act shall become effective on April 1, 2016. * As it appears in the enrolled bill

Approved by the Governor, March 14, 2016.

A true copy:

Tom Schedler
Secretary of State

ACT No. 26

HOUSE BILL NO. 62

BY REPRESENTATIVE JACKSON

AN ACT

To amend and reenact R.S. 47:301(3), (7), (10), (13), (14), (16), (18), and (28) and 318(A), and to enact R.S. 47:321.1, relative to state sales and use tax; to define the meaning ascribed to them in this Section, unless the context clearly indicates a different meaning:

* * *

§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 overhead 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 elected 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 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.

(ee) For all periods beginning on or after July 1, 2006, the cost price shall be reduced by thirty-five percent.

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

The Advocate

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CODING: Words in struck through type are deletions from existing law; words underscored (House Bills) and underscored and boldfaced (Senate Bills) are additions.
(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 and the production, processing, and storing of timber.
(b) Machinery and equipment for purposes of this Subparagraph, also includes but is not limited to the following:
(1) 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 prepess operations, electronic transmission of pages from prepess to press, pressroom operations, and mailroom operations and assembly activities.
(f) The term “newspaper” shall include but not be limited to 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 visitors to a 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 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 51-52 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 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 information Sector 51-52 as they existed in 2002, as determined by the 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 result in a change in the 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 boxes does not constitute 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 under R.S. 47:302, 321, and 331, the “cost price” of electric power or energy, or natural gas for the period beginning July 1, 2007 and thereafter, shall be reduced by fifteen percent.
(kk) 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 under R.S. 47:302, 321, and 331 for 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, the term “lease or rental”, as herein defined shall not mean or include the lease or rental 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”, 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.
(b) 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.
(b) 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.
(b) 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.
(b) 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.
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, electronic record keeping systems, and rental of automobiles.

(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 young citizens.

(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(41) and R.S. 32:1252(35) or vehicle manufacturers, as defined in R.S. 32:1252(4) and R.S. 32:1252(41), 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 political subdivisions, school boards, and other political subdivisions whose boundaries are 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 under R.S. 47:302, 321, and 331, 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) Solely for purposes of sales and use taxes levied by 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.

(l)(i) Solely for purposes of sales and use taxes 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.

(l)(ii) Solely for purposes of this Subparagraph, the term “manufacturer” shall mean a person engaged in an arm’s length transaction in the form of tangible personal property, or in connection with the filming or production of a motion picture by a motion picture producer, 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, which are 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 “sale at retail” provided in Item (iii) of this Subparagraph for purposes of the imposition of its sales and use tax.


(n) Solely for 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 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.

(o)(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”.

(o)(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.

(p)(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.

(p)(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 pursuant to this Subparagraph, and the unique relationship of the iron, which is produced by this process to its by-products shall be deemed to be separate and apart from the iron produced by this process as the result of this Subparagraph.

(q)(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.

(q)(bb) Solely for purposes of the sales and use tax levied by the state, 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 for human use.

(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 and all guidelines will be issued by 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 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 suppliers to any organization 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 imposed under R.S. 47:302, 321, and 331, the term “sale at retail” shall not include the sale of airplane equipment or parts to a commuter airline domiciled in Louisiana. The sales and use taxes imposed by any political subdivision, in the case of the sale or other disposition of any such cellular, PCS, or wireless telephone, any electronic accessories that are physically connected with such telephones and personal communication devices used in connection with the sale or use of such cellular, PCS, or wireless telephones, any electronic accessories that are physically connected with such telephones and personal communication devices used in connection with the sale or use of such cellular, PCS, or wireless telephones, and 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 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.

(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 delivered, and the sale of such aircraft is included in the sales and use taxes imposed by any political subdivision.

(n) For purposes of sales and use taxes imposed or levied by the state or any political subdivision thereof, for purposes of the sales and use taxes imposed by the state under R.S. 47:302, 321, and 331, and the sales and use taxes imposed by any political subdivision, the term “sale at retail” shall 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 for human use.

(o) For purposes of sales and use taxes imposed or levied by the state or any local government 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 taxes imposed or levied by the state or any political subdivision, any sale to or for the use of 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 taxes, 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” or “sale at retail” shall not include the sale of tangible personal property to: Baton Rouge, Louisiana, Inc. Girls, State of Louisiana, 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, payment of money, or 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 that term is defined by this Code.

(t) For purposes of sales and use taxes imposed by the state or any political subdivision of the state, For purposes of the sales and use taxes imposed by the state under R.S. 47:302, 321, and 331, and the sales and use taxes imposed by any political subdivision, the term “sale at retail” shall not include the 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.

(u) For purposes of sales and use taxes levied and imposed by local governments, the term “sale at retail” shall not include a sale of tangible personal property if such sale is made under the provisions of Medicare.

(v) For purposes of sales and use taxes imposed or levied by any political subdivision, 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 such cellular, PCS, or wireless telephones, 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 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.

(w) For purposes 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, PCS, or 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 “sale at retail” shall mean and include the sale or any other disposition of any such telephone, other personal communication devices, 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 “sale at retail” 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.

(c) 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 under R.S. 47:302, 321, and 331, the term “sale at retail” shall not include the sale of manufacturing machinery and 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.

(d) In such manufacturing, production, or extraction, the installation of which is reasonably necessary for the proper preservation, operation, maintenance of property which directly results in such manufacturing, production, or extraction shall be considered as directly associated with such property.

(e) “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.

(f) For purposes of sales and use taxes levied by the state or any political subdivision whose boundaries are coterminous with those of the state under R.S. 47:302, 321, and 331, or any other political subdivision, the term “sale at retail” shall not include the sale of tangible personal property at an event occurring outside of this state.

(g) For purposes of sales and use taxes imposed by the state under R.S. 47:302, 321, and 331 or any political subdivision of the state, the term “sale at retail” shall not include the sale of any storm shutter device.

(h) For purposes of sales and use taxes levied by the state or any political subdivision whose boundaries are coterminous with those of the state under R.S. 47:302, 321, and 331, or any other political subdivision, the term “sale at retail” shall not include any storm shutter device.

(i) 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.

(j) The term “sales price” shall not include any amount designated as a discount from the listed retail price of the vehicle.

(k) The term “sales price” shall not include any amount designated as a rebate offered by a vendor or manufacturer as a deduction from the listed retail price of the vehicle.

(l) For purposes of sales and use taxes levied by the state or any political subdivision whose boundaries are coterminous with those of the state under R.S. 47:302, 321, and 331, or any other political subdivision, the term “sale at retail” shall not include the sale of any storm shutter device.

(m) For purposes of sales and use taxes imposed by the state or any political subdivision whose boundaries are coterminous with those of the state under R.S. 47:302, 321, and 331, or any other political subdivision, the term “sale at retail” shall not include the sale of any storm shutter device.

(n) For purposes of sales and use taxes imposed by the state under R.S. 47:302, 321, and 331 or any political subdivision of the state, the term “sale at retail” shall not include the sale of any storm shutter device.

(o) The term “sales price” shall not include any amount designated as a discount from the listed retail price of the vehicle.

(p) For purposes of sales and use taxes imposed by the state or any political subdivision whose boundaries are coterminous with those of the state under R.S. 47:302, 321, and 331, the term “sale at retail” shall not include any amount designated as a discount from the listed retail price of the vehicle.

(q) For purposes of sales and use taxes levied by the state or any political subdivision whose boundaries are coterminous with those of the state under R.S. 47:302, 321, and 331, or any other political subdivision, the term “sale at retail” shall not include the sale of any storm shutter device.
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)(a) of this Section.

(g) For purposes of the imposition of sales and use taxes imposed or levied by the state, state sales and use taxes imposed under R.S. 47:302, 321, and 331 and the sales and use tax levied by all other taxing authorities in the state, 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 telephone, PCS, or wireless telephone and 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, 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 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 at the time of commission, 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 state sales and use taxes imposed by the state under R.S. 47:302, 321, and 331 and those of all other 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)(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 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 at the time of commission, 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) 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 the state or any political subdivision whose boundaries are coterminous with those of the state, under R.S. 47:302, 321, and 331, 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 ten percent.

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

(i) For purposes of this Subparagraph, “machinery and equipment”, “manufacturers”, “manufacturing”, “manufacturing for agricultural purposes”, “plant facility”, and “used directly” shall have the same meaning as defined in R.S. 47:301(10)

(ii) 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.

(1) For purposes of the payment of the state sales and use tax imposed under R.S. 47:302, 321, and 331, 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, under R.S. 47:302, 321, and 331, 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) The furnishing 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) Natural history museums.

(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 and retreat facilities owned and operated by nonprofit organizations exempt from state income tax under R.S. 47:302, 321, and 331 or levied by 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.

The certificates shall be applicable to taxes levied by all tax authorities in the state.

(v) The term “sales of services” shall mean and include the following:

(aa) The furnishing of storage or parking privileges by auto hotels and other establishments that provide accommodations for automobiles to hotel guests at the time of 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 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 at the time of commission, 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.

(bb) For purposes of the imposition of sales and use tax imposed or levied by the state or any political subdivision whose boundaries are coterminous with those of the state, under R.S. 47:302, 321, and 331, 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 and participating in a parade sponsored by a carnival organization.

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

(dd) Not available to the public.

(ee) Planetariums.

(iv) The furnishing of storage or parking privileges by auto hotels and parking lots to persons 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 renewal 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.

(1) The furnishing of cold storage space, except that space which is furnished pursuant to a billing or rental agreement, 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)(d)(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, furniture, photographic 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 (I) delivered to a common carrier or to the United States Postal Service 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.

(bb) 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.

(bb) 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 to their component parts as defined in Article 466 of the Civil Code.

(iii)(aa) For purposes of this Subparagraph, tangible personal property shall be classified as machinery, appliances, or 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 to their component parts as defined in Article 466 of the Civil Code.

(iii) The term “tangible personal property” shall not 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 to their component parts as defined in Article 466 of the Civil Code.

(iii) The term “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 to their component parts as defined in Article 466 of the Civil Code.

(jj) Notwithstanding any provision of law to the contrary, for purposes of sales or use tax imposed 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 form for the calculation of the tax for funeral directing services.

(k) Solely for purposes of sales and use tax imposed by the state under R.S. 47:302, 321, and 331, any political subdivision whose boundaries are coextensive with those of the state, or any other 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 form for the calculation of the tax for funeral directing services.

(l) Solely for purposes of sales and use tax imposed by the state under R.S. 47:302, 321, and 331, any political subdivision whose boundaries are coextensive with those of the state, or any other 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 form for the calculation of the tax for funeral directing services.

(m) The term “tangible personal property” means and includes personal property which may be seen, weighed, measured, felt or touched, or is in any manner perceptible to the senses.

(n) The term “tangible personal property” shall not include:

(i) Stocks, bonds, certificates of deposit, obligations or securities.

(ii) Gold. Solely for purposes of sales and use taxes imposed by the state under R.S. 47:302, 321, and 331, 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.

(o) 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.

(p) 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.

(q) 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.

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, as defined in Subparagraph (bb)(I).

(i) For purposes of 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 taxable as “tangible personal property”.

(ii) 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 transported to the site of the construction code.

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

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

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

(e) For purposes of sales and use tax imposed by the state under R.S. 47:302, 321, and 331, any political subdivision whose boundaries are coextensive with those of the state, or any other 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 form for the calculation of the tax for funeral directing services.

(f) The term “tangible personal property” as applied to sales and use taxes imposed 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”.

(g) For purposes of sales and use taxes imposed by the state under R.S. 47:302, 321, and 331, any political subdivision whose boundaries are coextensive with those of the state, or any other 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 form for the calculation of the tax for funeral directing services.

(h) For purposes of sales and use tax imposed by the state under R.S. 47:302, 321, and 331, any political subdivision whose boundaries are coextensive with those of the state, or any other 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 form for the calculation of the tax for funeral directing services.
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.

(b) 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.

(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, 2003, and ending on June 30, 2005, the term “tangible personal property” shall not include one-half 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.

(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 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 subsequent to January 1, 1999, but prior to June 30, 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 this 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.

(i) 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, 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 under R.S. 47:302, 321, and 331, 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(3)(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.

(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.

(“Radio broadcasting” means the sound transmission made via electromagnetic waves for direct sound reception by the general public.

(o)(i) For Solely 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 under R.S. 47:302, 321, and 331, the term “tangible personal property” shall not include machinery and equipment purchased subsequent to January 1, 1999, but prior to the effective date of this Act, with a North American Industry Classification System (NAICS) Code beginning with 3361, or by a glass container manufacturer with a NAICS Code of 327213. Such utility shall also be considered a “manufacturer” for purposes of R.S. 47:301(3)(ii).

(CODING: Words in strikethrough type are deletions from existing law; words underscored (House Bills) and boldfaced (Senate Bills) are additions.)
For purposes of this Subparagraph, a political subdivision whose boundaries are coextensive 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(10)(v), the term “use” shall not 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 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, 2001, and ending on June 30, 2001, the term “use” shall not 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, 2000, and ending on June 30, 2001, 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. 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.

(a) 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 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 to be used in the course of such business for commercial use, unless less than the whole vehicle is 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.

(b) Solely for purposes of sales and use taxes imposed under R.S. 47:302, 321, and 331 or any of its political subdivisions, 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.

(c) 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, 2002, of Act No. 632 of the 2008 Regular Session of the Legislature.

(d) Except as provided in Item (ii) of this Subparagraph for refiner gas, solely for purposes of state sales and use taxes imposed under R.S. 47:302, 321, and 331 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 or its byproducts derived from the processing of sawlogs or pulpwood, timber, or bagasse derived from sugarcane.

(e) For purposes of state and political subdivision sales and use tax, “use” shall not include any property that would have been considered immovable property prior to the enactment on July 1, 2002, of Act No. 632 of the 2008 Regular Session of the Legislature.

(f) 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.

(g) 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: (i) the use of tangible personal property used by Boys State of Louisiana, Inc. for their educational and public service programs; (ii) the use of tangible personal property used by Girls State of Louisiana, Inc. for their educational and public service programs; (iii) the use of tangible personal property used 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, for the purposes of providing in Subparagraph (3)(f) of this Section. If refiner 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.

(h) 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, for the purposes of providing in Subparagraph (3)(f) of this Section. If refiner 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.

(i) 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.

(j) For purposes of state and political subdivision sales and use tax, “use” shall not include any funeral directing services as defined in R.S. 47:301(3)(i)(ii) which is purchased by a free hospital 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).

(k) For purposes of sales and use taxes levied by the state under R.S. 47:302, 321, and 331 or any political subdivision of the state, the term “use” shall not include the exercise of any right of ownership 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.

(l) 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.

(m) For purposes of state and political subdivision sales and use tax, “use” shall not include any property that would have been considered immovable property prior to the enactment on July 1, 2002, of Act No. 632 of the 2008 Regular Session of the Legislature.

(n) 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.

(o) For purposes of sales and use taxes imposed under R.S. 47:302, 321, and 331 or any political subdivision of the state, the term “use” shall not include the withdrawal, use, distribution, consumption, storage, sale, 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 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, sale, 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 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, sale, 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 used in connection with the sale or use of mobile telecommunications services, as defined in R.S. 47:301(10)(v).
(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, telephone answering service, or other wireless personal communications 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 coextensive with those of the state under R.S. 47:302, 321, and 331, the term “use” shall not include the purchase, the use, the consumption, the distribution, the storage for use or consumption in this state, 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.

(1) Solely for purposes of sales and use taxes levied by the state or any political subdivision whose boundaries are coextensive with those of the state under R.S. 47:302, 321, and 331, 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 (3)(e) 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, 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:

(1) 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.

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

(3) Solely for purposes of the imposition of the state sales and use tax under R.S. 47:302, 321, and 331, the term “use” shall not mean or include the purchase, importation, storage, distribution, or exportation of any storm shutter device as defined in Subparagraph (10)(ee) 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 exercise of any right or power over any toy as defined in Subparagraph (3)(e) of this Section.

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

(3)(a)(ii) Of the proceeds from the tax levied on sales of services by R.S. 47:302, 321, and 331, there shall be hereby levied an additional tax upon the sale at retail, the use, the consumption, the distribution, the storage for use or consumption in this state of any item or article of tangible personal property as defined in Chapter 2 of this Subtitle. The levy of the tax to be as follows:

(1) At the rate of one percent of the sales price of each item or article of tangible personal property when sold at retail in this state.

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

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

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

The tax levied on sales of services by R.S. 47:302(C), 321(C), and 331(C) and collected under the provisions of Chapter 2 of this Subtitle, there is hereby levied a tax upon the item or article of tangible personal property when sold at retail 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. 47:301.1 shall be reduced by the deduction of proceeds provided for in this Subsection shall in no way be interpreted to include any monies collected pursuant to the taxes imposed under R.S. 47:321.1.

* * *

§321.1. Imposition of Tax

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

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

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

B. In addition to the tax levied by R.S. 47:302(B), 321(B), and 331(B) and collected under the provisions of Chapter 2 of this Subtitle, there is hereby levied a tax upon the sale at retail, the use, the consumption, the distribution, the storage for use or consumption in this state of any item or article of tangible personal property, as defined in Chapter 2 of this Subtitle, the levy of the tax to be as follows:

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

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

(3) Of the proceeds from the tax levied on sales of services by R.S. 47:302(C), 321(C), and 331(C) and collected under the provisions of Chapter 2 of this Subtitle, there is hereby levied a tax upon the item or article of tangible personal property when sold at retail in this state, the tax to be computed on gross sales for the purpose of remitting the amount of tax to the state, and to include each and every retail sale.

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

(5) At the rate of one percent of the competitive price of each item or article of tangible personal property when sold at retail in this state to a dealer in this state.

(6) At the rate of one percent of the cost of each item or article of tangible personal property when sold at retail in this state.

C. In addition to the tax levied on sales of services by R.S. 47:302(C), 321(C), and 331(C) and collected under the provisions of Chapter 2 of this Subtitle, there is hereby levied a tax upon the item or article of tangible personal property when sold at retail in this state.

D. The tax levied on sales of services by R.S. 47:302(C), 321(C), and 331(C) and collected under the provisions of Chapter 2 of this Subtitle, shall be paid at the time and in the manner provided therein; shall be in addition to all other taxes, whether levied in the form of sales, excise, license, or privilege taxes; and shall be in addition to taxes levied under the provisions of Chapter 2 of this Subtitle.

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

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

* * *
(1) Food for home consumption, as defined in R.S. 47:305(D)(1)(a) through (r)
on January 1, 2003, as provided in Article VII, Section 2.2 of the Constitution
of Louisiana.
(2) Natural gas, as provided in Article VII, Section 2.2 of the Constitution
of Louisiana.
(3) Electricity, as provided in Article VII, Section 2.2 of the Constitution
of Louisiana.
(4) Water, as provided in Article VII, Section 2.2 of the Constitution
of Louisiana.
(5) Prescription drugs, as provided in Article VII, Section 2.2 of the Constitution
of Louisiana.
(6) Gasoline and other motor fuels subject to the state excise tax on fuel.
(7) Sales to the United States government and its agencies, as provided in
R.S. 47:301(10).
(8) Other constructions permanently attached to the ground, as provided in
R.S. 47:301(16)(i).
(9) Installation charges on tangible personal property, as provided in R.S.
47:301(3)(a).
(10) Installation of oil field board roads, as provided in R.S. 47:301(13)(c).
(11) Transactions involving the construction or overhaul of United States
Navy vessels, as provided in R.S. 47:301(7)(c) and (14)(h).
(12) Property purchased for exclusive use outside the state, as provided in
R.S. 47:305.10.
(13) Sale, lease or rental of tangible personal property paid by or under
the provisions of Medicare, as provided in R.S. 47:313.2.
(14) Transplants of human tissue transplants, as provided in R.S. 47:301(10)(d).
(15) Sales of raw agricultural products, as provided in R.S. 47:301(10)(c) and
305(A)(3).
(16) Sales of food by youth serving organizations chartered by congress, as
provided in R.S. 47:301(10)(h).
(17) Tangible personal property sold to food banks as provided in R.S.
47:301(10)(i).
(18) Materials used in the collection of blood as provided in R.S. 47:301(16)(i).
(19) Apheresis kits and leukoreduction filters as provided in R.S.
47:301(16)(k).
(20) Donation to schools and food banks from resale inventory as provided in
R.S. 47:301(18)(a).
(21) Manufacturers rebates on new motor vehicles as provided in R.S.
47:301(3)(e) and (13)(b).
(22) Lease or rentals of railroad rolling stock as provided in R.S. 47:301(4)(k).
(23) Purchases and leases by free hospitals as provided in R.S. 47:301(7)(e),
(10)(n) and (18)(c).
(24) Purchases by nonprofit entities that sell donated goods as provided in
R.S. 47:301(16)(f).
(25) Tangible personal property for resale as provided in R.S. 47:301(10)(a)
(i).
(26) Purchases of property for lease or rental as provided in La. R.S.
47:301(10)(a)(iii) and (18)(a)(iii).
(27) Isolated or occasional sales of tangible personal property as provided in
R.S. 47:301(11) and (10)(c)(i), (ii), and (iii).
(28) Use of motor vehicles in Louisiana by active duty military as provided in
La. R.S. 47:303(A) and 305.48.
(29) Purchases made with food stamps and WIC as provided in R.S.
47:305.46.
(30) Articles traded in on purchases of tangible personal property as provided in
R.S. 47:301(13)(a).
(31) Donations of toys as provided in R.S. 47:301(10)(e)(aaa)(i) and (18)(m).
(32) Stocks, bonds, notes or other obligations or securities as provided in
R.S. 47:301(16)(b)(i).
(33) Credit for sales and use taxes paid to other states on tangible personal
property imported into Louisiana as provided in R.S. 47:301(13)(a).
(34) Work product of certain professionals as provided in R.S. 47:301(16)(e).
(35) Purchases by regionally accredited independent educational
institutions as provided in R.S. 47:301(8)(b).
(36) Sales through coin-operated vending machines as provided in R.S.
47:301(5)(b).
(37) Purchases by a private postsecondary academic degree-granting
institutions as provided in R.S. 47:301(10)(c) and as provided in R.S.
47:301(18)(n).
(38) Purchases of food items for school lunch or breakfast programs by
nonpublic elementary or secondary schools as provided in R.S. 47:301(10)
(d).
(39) Repair services performed in Louisiana when the repaired property is
exported as provided in R.S. 47:301(14)(g)(i)(bb).
(40) Funeral directing services as provided in R.S. 47:301(14)(i).
(41) Feed and feed additives for animals held for business purposes as
provided in R.S. 47:305.5(A)(4).
(42) Farm products produced and used by farmers as provided in R.S.
47:305(1).
(43) Sales of fertilizers and containers to farmers as provided in R.S.
47:305(D)(1)(d).
(44) Sales of seeds for planting crops as provided in R.S. 47:305.3.
(45) Sales of pesticides for agricultural purposes as provided in R.S.
47:305.8.
(46) The cost price for the printing of a news publication as provided in
R.S. 47:301(3)(b).
(47) Vehicle rentals to warranty customers as provided in R.S. 47:301(7)(h).
(48) Lease or rental of a crane and related equipment with an operator as
provided in R.S. 47:301(7)(k).
(49) Sales by and to the state and its political subdivisions as provided in
R.S. 47:301(3)(c).
(50) Sales of materials for further processing as provided in R.S. 47:301(10)
(g)(a).
(51) The sale price for new farm equipment used in poultry production as
provided in R.S. 47:301(13)(c).
(52) A factory built home as provided in R.S. 47:301(16)(c).
(53) Any advertising service rendered by an advertising business as
provided in R.S. 47:301(3).
(54) The sale of livestock, poultry, and other farm products direct from a
farm as provided in R.S. 47:305(A)(3).
(55) The sale of livestock at public sales sponsored by breeders’ or registry
associations or livestock auction markets as provided in R.S. 47:305(A)(2).
(56) The sale of agricultural products by a person other than the producer,
for use in further processing as provided in R.S. 47:305(A)(3).
(57) Transactions in interstate commerce and tangible personal property
imported into this state, or produced or manufactured in this state, for
export as provided in R.S. 47:305(E).
(58) Ships, vessels, barges, and related supplies as provided in R.S. 47:305.1.
(59) The sales price for new farm equipment as provided in R.S. 47:305.25.
(60) Trucks and trailers if used at least eighty percent of the time in
interstate commerce as provided in R.S. 47:305.50(A).
(61) Freight cars, piggy-back cars and rolling stock, and railroad ties as
provided in R.S. 47:305.45 and 305.50(F).
(62) Councils on Aging as provided in R.S. 47:305.66.
(63) Sales of pharmaceuticals administered to livestock for agricultural
purposes as provided in R.S. 47:301(16)(f).
(64) Materials used in the production of crawfish and catfish as provided in
R.S. 47:305(A)(5) and (6).
(65) Manufacturing machinery and equipment as provided in R.S. 47:301(3)(i),
(13)(k), and (20)(a). The provisions of this Paragraph shall be operative and
in effect beginning July 1, 2016.
(66) The avails of the tax collected under this Section shall be deposited
immediately into the state treasury, and, after compliance with the
requirements of Article VII, Section 9(B) of the Constitution of Louisiana,
the state treasurer shall pay the remainder of the monies into the state
general fund.
H. No amount of additional revenue collected as a result of this Section
shall be remitted to any tax increment financing district or economic
development project.
Section 2. This Act shall be applicable for taxable periods beginning on
April 1, 2016.
Section 3. The provisions of this Act shall become effective on April 1,
2016.
Approved by the Governor, March 14, 2016.
A true copy:
Tom Schuler
Secretary of State

ACT No. 27

HOUSE BILL NO. 122
BY REPRESENTATIVE HENRY
AN ACT
To appropriate funds and to make and otherwise provide for certain
reductions in appropriations from certain sources to be allocated to
designated agencies and purposes in specific amounts for the making
of supplemental appropriations and reductions for said agencies and
purposes for the 2015-2016 Fiscal Year; to provide for an effective date;
and to provide for related matters.
Be it enacted by the Legislature of Louisiana:
Section 1.A. The commissioner of administration is authorized and
directed to reduce the State General Fund by Fees and Self-generated
Revenues appropriations contained in Act 16 of the 2015 Regular Session of
the Legislature for the following agencies in the following amounts:

(1) Executive Department

01-100 Executive Office by ($2,232)
<table>
<thead>
<tr>
<th>Bill Number</th>
<th>Agency</th>
<th>Appropriation Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>01-107</td>
<td>Division of Administration</td>
<td>($1,083,774)</td>
</tr>
<tr>
<td>01-111</td>
<td>Governor’s Office of Homeland Security and Emergency Preparedness</td>
<td>($6,143)</td>
</tr>
<tr>
<td>01-124</td>
<td>Louisiana Stadium and Exposition District</td>
<td>($5,138,029)</td>
</tr>
<tr>
<td>01-254</td>
<td>Louisiana State Racing Commission</td>
<td>($367,802)</td>
</tr>
<tr>
<td>04-147</td>
<td>State Treasurer</td>
<td>($351,905)</td>
</tr>
<tr>
<td>04-160</td>
<td>Agriculture and Forestry</td>
<td>($282,560)</td>
</tr>
<tr>
<td>04-165</td>
<td>Commissioner of Insurance</td>
<td>($380,288)</td>
</tr>
<tr>
<td>05-251</td>
<td>Office of the Secretary</td>
<td>($146,174)</td>
</tr>
<tr>
<td>06-261</td>
<td>Office of the Secretary</td>
<td>($11,768)</td>
</tr>
<tr>
<td>06-262</td>
<td>Office of the State Library of Louisiana</td>
<td>($4,050)</td>
</tr>
<tr>
<td>06-263</td>
<td>Office of State Museum</td>
<td>($32,155)</td>
</tr>
<tr>
<td>06-264</td>
<td>Office of State Parks</td>
<td>($32,210)</td>
</tr>
<tr>
<td>06-265</td>
<td>Office of Cultural Development</td>
<td>($6,351)</td>
</tr>
<tr>
<td>06-267</td>
<td>Office of Tourism</td>
<td>($513,273)</td>
</tr>
<tr>
<td>08-418</td>
<td>Office of Management and Finance</td>
<td>($509,765)</td>
</tr>
<tr>
<td>08-419</td>
<td>Office of State Police</td>
<td>($3,836,033)</td>
</tr>
<tr>
<td>09-431</td>
<td>Office of the Secretary</td>
<td>($7,385)</td>
</tr>
<tr>
<td>11-432</td>
<td>Office of Conservation</td>
<td>($570)</td>
</tr>
<tr>
<td>11-434</td>
<td>Office of Mineral Resources</td>
<td>($600)</td>
</tr>
<tr>
<td>11-435</td>
<td>Office of Coastal Management</td>
<td>($570)</td>
</tr>
<tr>
<td>12-440</td>
<td>Office of Revenue</td>
<td>($1,321,175)</td>
</tr>
<tr>
<td>16-514</td>
<td>Office of Fisheries</td>
<td>($56,025)</td>
</tr>
<tr>
<td>17-560</td>
<td>State Civil Service</td>
<td>($13,341)</td>
</tr>
<tr>
<td>17-562</td>
<td>Ethics Administration</td>
<td>($4,826)</td>
</tr>
<tr>
<td>17-565</td>
<td>Board of Tax Appeals</td>
<td>($1,752)</td>
</tr>
<tr>
<td>19-653</td>
<td>Louisiana Schools for the Deaf and Visually Impaired</td>
<td>($3,125)</td>
</tr>
<tr>
<td>19-657</td>
<td>Louisiana School for Math, Science, and the Arts</td>
<td>($4,396)</td>
</tr>
<tr>
<td>19-662</td>
<td>Louisiana Educational Television Authority</td>
<td>($63,819)</td>
</tr>
<tr>
<td>19-699</td>
<td>Special School District</td>
<td>($24,785)</td>
</tr>
<tr>
<td>19-610</td>
<td>Louisiana State University Health Science Center Health Care Services Division</td>
<td>($196,743)</td>
</tr>
<tr>
<td>20-939</td>
<td>Prepaid Wireless 911 Service</td>
<td>($242,550)</td>
</tr>
<tr>
<td>20-940</td>
<td>Emergency Medical Services - Parishes and Municipalities</td>
<td>($6,750)</td>
</tr>
<tr>
<td>20-941</td>
<td>Agriculture and Forestry - Pass Through Funds</td>
<td>($12,000)</td>
</tr>
</tbody>
</table>

Section 1.B. The commissioner of administration is authorized and directed to reduce the State General Fund by Fees and Self-generated Revenue appropriations contained in Act 46 of the 2015 Regular Session of the Legislature for the following agencies in the following amounts:

### Ancillary Appropriations

<table>
<thead>
<tr>
<th>Bill Number</th>
<th>Agency</th>
<th>Appropriation Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>21-804</td>
<td>Office of Risk Management</td>
<td>($133,734)</td>
</tr>
<tr>
<td>21-806</td>
<td>Louisiana Property Assistance</td>
<td>($143,405)</td>
</tr>
<tr>
<td>21-807</td>
<td>Louisiana Federal Property Assistance Agency</td>
<td>($51,402)</td>
</tr>
<tr>
<td>21-811</td>
<td>Prison Enterprises</td>
<td>($331,106)</td>
</tr>
<tr>
<td>21-815</td>
<td>Office of Technology Services</td>
<td>($5,361)</td>
</tr>
<tr>
<td>21-820</td>
<td>Office of State Procurement</td>
<td>($10,178)</td>
</tr>
</tbody>
</table>

Section 1.C. The commissioner of administration is authorized and directed to reduce the State General Fund by Statutory Dedications...
 appropriations contained in Act 16 of the 2015 Regular Session of the Legislature for the following agencies in the following amounts:

(1) **Executive Department**

- 01-106 Louisiana Tax Commission out of the Tax Commission Expense Fund by ($41,819)
- 01-107 Division of Administration out of the State Emergency Response Fund by ($28,192)
- 01-129 Louisiana Commission on Law Enforcement out of the Crime Victims Reparation Fund by ($53,853)

(2) **Elected Officials**

- 04-147 State Treasurer out of the Crescent City Amnesty Refund Fund by ($1,287)
- 04-160 Department of Agriculture and Forestry out of the Grain and Cotton Indemnity Fund by ($5,341)
- 04-165 Commissioner of Insurance out of the Administrative Fund by ($40,762)

(3) **Department of Economic Development**

- 05-252 Office of Business Development out of the Marketing Fund by ($120,266)

(4) **Department of Transportation and Development**

- 07-276 Engineering and Operations out of the Geaux Pass Transition Fund by ($23,982)

(5) **Public Safety Services**

- 08-419 Office of State Police out of the Debt Recovery Fund by ($160,000)
- 08-419 Office of State Police out of the Pari-Mutuel Live Racing Facility Gaming Control Fund by ($1,337)
- 08-422 Office of State Fire Marshal out of the Two Percent Fire Insurance Fund by ($17,500)

(6) **Department of Health and Hospitals**

- 09-330 Office of Behavioral Health out of the Compulsive & Problem Gaming Fund by ($219,146)

Notwithstanding any provision of law to the contrary, the reduction of $219,146 out of the Compulsive and Problem Gaming Fund provided for above shall be allocated in such a manner as to reduce the interagency transfers expenditures by the Office of Behavioral Health being received by the various Human Services Authorities and Districts as follows:

- 09-300 Jefferson Parish Human Services Authority ($28,501)
- 09-304 Metropolitan Human Services District ($30,000)
- 09-309 South Central Louisiana Human Services Authority ($17,000)
- 09-325 Acadiana Area Human Services District ($27,767)
- 09-375 Imperial Calcasieu Human Service Authority ($23,878)
- 09-376 Central Louisiana Human Services District ($17,000)
- 09-377 Northwest Louisiana Human Services District ($70,000)
- 09-330 Office of Behavioral Health out of the Tobacco Tax Health Care Fund by ($228,064)

Notwithstanding any provision of law to the contrary, the reduction of $228,064 out of the Tobacco Tax Health Care Fund provided for above shall be allocated in such a manner as to reduce the interagency transfers expenditures by the Office of Behavioral Health being received by the various Human Services Authorities and Districts as follows:

- 09-300 Jefferson Parish Human Services Authority ($23,998)
- 09-309 South Central Louisiana Human Services Authority ($17,500)
- 09-375 Imperial Calcasieu Human Service Authority ($86,566)
- 09-376 Central Louisiana Human Services District ($100,000)
- 09-330 Office of Behavioral Health out of the Tobacco Tax Health Care Fund by ($131,150)

(7) **Department of Children and Family Services**

- 10-360 Office of Children and Family Services out of the Fraud Detection Fund by ($30,809)
- 10-360 Office of Children and Family Services out of the SNAP Fraud and Abuse Detection and Prevention Fund by ($3,000)

(8) **Department of Natural Resources**

- 11-432 Office of Conservation out of the Oil and Gas Regulatory Fund by ($91,255)
- 11-432 Office of Conservation out of the Underwater Obstruction Removal Fund by ($150,000)
- 11-434 Office of Mineral Resources out of the Mineral and Energy Operation Fund by ($272,547)

(9) **Department of Revenue**

- 12-440 Office of Revenue out of the Tobacco Regulation Enforcement Fund by ($18,074)

(10) **Department of Environmental Quality**

- 13-851 Office of Environmental Compliance out of the Hazardous Waste Site Cleanup Fund by ($225,000)

(11) **LA Workforce Commission**

- 14-474 Workforce Support and Training out of the Employment Security Administration Account by ($243,604)
- 14-474 Workforce Support and Training out of the Penalty and Interest Account by ($209,555)

(12) **Higher Education**

Provided, however, that the Fiscal Year 2015-2016 mid-year reduction pursuant to the Constitution of Louisiana, Article VII, Section 10(F) made by the Joint Legislative Committee on the Budget on February 15, 2016, to Schedule 19-671 Board of Regents out of the Support Education in Louisiana First Fund by ($1,504,140) is hereby declared null and void.

Provided, however, that the Fiscal Year 2015-2016 mid-year reduction pursuant to the Constitution of Louisiana, Article VII, Section 10(F) made by the Joint Legislative Committee on the Budget on February 15, 2016, to Schedule 19A-615 Southern University System out of the Southern University AgCenter Program Fund by ($34,800) is hereby declared null and void.

Provided, however, that the Fiscal Year 2015-2016 mid-year reduction pursuant to the Constitution of Louisiana, Article VII, Section 10(F) made by the Joint Legislative Committee on the Budget on February 15, 2016, to Schedule 19A-615 Southern University System out of the Southern University AgCenter Program Fund by ($34,800) is hereby declared null and void.

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* As it appears in the enrolled bill

(CODING: Words in *italics* through *type* are deletions from existing law; words underscored (House Bills) and *underlined* and boldfaced (Senate Bills) are additions.)
19-674 Louisiana Universities Marine Consortium out of the Support Education in Louisiana First Fund by ($1,339)

19-600 Louisiana State University Board of Supervisors out of the Fireman's Training Fund by ($44,288)

19-600 Louisiana State University Board of Supervisors out of the Support Education in Louisiana First Fund by ($678,092)

The allocation of this reduction among the higher education institutions in the Louisiana State University System is as follows:

Louisiana State University - A&M College by ($299,287)
Louisiana State University - Alexandria by ($9,267)
Louisiana State University Health Sciences Center - New Orleans by ($142,649)
Louisiana State University Health Sciences Center - Shreveport by ($92,770)
Louisiana State University - Eunice by ($8,625)
Louisiana State University - Shreveport by ($21,811)
Louisiana State University - Agricultural Center by ($100,430)
Pennington Biomedical Research Center by ($3,253)

19-615 Southern University Board of Supervisors out of the Support Education in Louisiana First Fund by ($95,952)

The allocation of this reduction among the higher education institutions in the Southern University System is as follows:

Southern University - Agricultural & Mechanical College by ($64,083)
Southern University - Law Center by ($6,996)
Southern University - New Orleans by ($18,317)
Southern University - Shreveport, Louisiana by ($6,556)

19-620 University of Louisiana Board of Supervisors out of the Support Education in Louisiana First Fund by ($548,909)

The allocation of this reduction among the higher education institutions in the University of Louisiana System is as follows:

Nicholls State University by ($38,641)
Grambling State University by ($36,056)
Louisiana Tech University by ($66,244)
McNeese State University by ($44,009)
University of Louisiana at Monroe by ($65,124)
Northwestern State University by ($45,079)
Southern Louisiana University by ($71,433)
University of Louisiana at Lafayette by ($32,016)
University of New Orleans by ($88,307)

19-649 Louisiana Community and Technical Colleges Board of Supervisors out of the Support Education in Louisiana First Fund by ($177,928)

The allocation of this reduction among the higher education institutions in the Louisiana Community and Technical Colleges System is as follows:

Baton Rouge Community College by ($26,015)
Delgado Community College by ($44,087)
Nunez Community College by ($5,058)
Bossier Parish Community College by ($13,111)
South Louisiana Community College by ($22,579)
River Parishes Community College by ($4,604)
Louisiana Delta Community College by ($13,936)
Louisiana Technical College by ($18,150)
SOWELA Technical Community College by ($8,739)
L.E. Fletcher Technical Community College by ($4,530)
Central Louisiana Technical Community College by ($9,363)

13) Special Schools and Commissions

19-666 Board of Elementary and Secondary Education out of the Louisiana Charter School Start-up Loan Fund by ($2,188)

14) Other Requirements

20-901 Sales Tax Deductions out of the DeSoto Parish Visitor Enterprise Fund by ($2,000)

20-901 Sales Tax Deductions out of the East Baton Rouge Parish Community Improvement Fund by ($13,091)

20-901 Sales Tax Deductions out of the Ernest N. Morial Convention Center Phase IV Expansion Project Fund by ($20,000)

20-901 Sales Tax Deductions out of the Lafourche Parish Association for Retarded Citizens (ARC) Training and Development Fund by ($4,000)

20-930 Higher Education - Debt Service and Maintenance out of the Calcasieu Parish Higher Education Improvement Fund by ($5,746)

20-931 Louisiana Economic Development - Debt Service and State Commitments out of the Rapid Response Fund by ($2,843,841)

20-931 Louisiana Economic Development - Debt Service and State Commitments out of the Louisiana Mega-project Development Fund by ($1,817,602)

20-941 Agriculture and Forestry - Pass Through Funds out of the Forest Productivity Fund by ($30,647)

20-945 State Aid to Local Government Entities out of the Friends of NORD Fund by ($2,014)

The commissioner of administration is authorized and directed to reduce the appropriations out of the funds contained in 20-901 Sales Tax Deductions, by an additional fifty percent of the reduction of the appropriations out of such funds proposed by the governor and approved by the Joint Legislative Committee on the Budget at its February 15, 2016 meeting, for an additional reduction of ($63,731).

The commissioner of administration is authorized and directed to reduce the appropriations out of the funds contained in 20-941 Agriculture and Forestry - Pass Through Funds, by an additional fifty percent of the reduction of the appropriations out of such funds proposed by the governor and approved by the Joint Legislative Committee on the Budget at its February 15, 2016 meeting, for an additional reduction of ($171,896).

Section 1.D. The commissioner of administration is authorized and directed to reduce the State General Fund by Statutory Dedications appropriations contained in Act 26 of the 2015 Regular Session of the Legislature for the following agencies in the following amounts:

26-279 DOTD-Capital Outlay/Non-State out of the Transportation Trust Fund by ($18,103,138)

Section 1.E. The commissioner of administration is authorized and directed to reduce the State General Fund (Direct) appropriations contained in Act 16 of the 2015 Regular Session of the Legislature for the following agencies in the following amounts:

SCHEDULE 01 - EXECUTIVE DEPARTMENT

01-100 Executive Office ($201,899)
01-102 Office of the State Inspector General ($48,768)
01-107 Division of Administration ($132,000)
01-111 Governor's Office of Homeland Security and
01-129  Emergency preparedness  ($ 50,000)
01-129  Louisiana Commission on Law Enforcement and the administration of Criminal Justice  ($ 90,000)

SCHEDULE 04 - ELECTED OFFICIALS

DEPARTMENT OF AGRICULTURE AND FORESTRY

04-160  Agriculture and Forestry  ($ 103,600)

SCHEDULE 05 - DEPARTMENT OF ECONOMIC DEVELOPMENT

05-251  Office of the Secretary  ($ 200,000)
05-252  Office of Business Development  ($ 200,000)

SCHEDULE 06 - DEPARTMENT OF CULTURE, RECREATION AND TOURISM

06-261  Office of the Secretary  ($ 500,000)

Veto Message No. 4 - The reduction of the Office of the Secretary of Culture, Recreation, and Tourism is excessive and would significantly impact its operations.

06-262  Office of the State Library of Louisiana  ($ 24,269)
06-263  Office of State Museum  ($ 50,996)
06-264  Office of State Parks  ($ 1,000,000)
06-265  Office of Cultural Development  ($ 2,579)
06-267  Office of Tourism  ($ 77,458)

SCHEDULE 09 - DEPARTMENT OF HEALTH AND HOSPITALS

09-307  Office of the Secretary  ($ 317,500)
09-326  Office of Public Health  ($ 526,373)
09-330  Office of Behavioral Health  ($ 1,090,865)
09-340  Office for Citizens with Developmental Disabilities  ($ 202,514)

SCHEDULE 19 - HIGHER EDUCATION

19-615  Southern University Board of Supervisors  ($ 67,802)

SPECIAL SCHOOLS AND COMMISSIONS

19-666  Board of Elementary and Secondary Education  ($ 20,000)

SCHEDULE 19 - DEPARTMENT OF EDUCATION

19-681  Subgrantee Assistance  ($ 800,000)

The commissioner of administration is authorized and directed to reduce out of the State General Fund (Direct) appropriation to Schedule 19D the Department of Education as contained in Act 16 of the 2015 Regular Session ($1,400,000). Such reduction shall be allocated among all department budget units at the discretion of the commissioner of administration. Provided, however, that such reduction shall not be to either local education agencies or early childhood education programs. Provided, further, that such reduction shall not apply to 19-695 Minimum Foundation Program.

SCHEDULE 20 - OTHER REQUIREMENTS

20-931  Louisiana Economic Development-Debt Service and State Commitments  ($ 38,368)

Section 1.F. The following sums are hereby appropriated from the sources specified and in the amounts specified for the purpose of making supplemental appropriations for Fiscal Year 2015-2016.

01-133  OFFICE OF ELDERLY AFFAIRS

Payable out of the State General Fund (Direct) to the Office of Elderly Affairs to restore funding recommended by the Joint Legislative Committee on the Budget at its February 15, 2016, meeting  $ 356,654

DEPARTMENT OF CULTURE, RECREATION AND TOURISM

06-261  OFFICE OF THE SECRETARY

Payable out of the State General Fund (Direct) to the Office of the Secretary to restore funding reduced by Executive Order JBE 16-04 and recommended by the governor and approved by the Joint Legislative Committee on the Budget at its February 15, 2016, meeting  $ 77,458

DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT

07-276  ENGINEERING AND OPERATIONS

Payable out of the State General Fund by Statutory Dedications out of the Transportation Trust Fund to restore funding recommended for reduction by the governor and approved by the Joint Legislative Committee on the Budget at its February 15, 2016, meeting  $ 18,103,138

DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONS

08-423  LOUISIANA GAMING CONTROL BOARD

Payable out of the State General Fund by Statutory Dedications out of the Pari-Mutuel Live Racing Facility Gaming Control Fund to restore funding recommended for reduction by the governor and approved by the Joint Legislative Committee on the Budget at its February 15, 2016, meeting  $ 1,537

OTHER REQUIREMENTS

20-925  UNCLAIMED PROPERTY LEVERAGE FUND

Payable out of the State General Fund by Statutory Dedications out of the Unclaimed Property Leverage Fund to restore funding recommended for reduction by the governor and approved by the Joint Legislative Committee on the Budget at its February 15, 2016, meeting  $ 3,540

08-420  OFFICE OF MOTOR VEHICLES

Payable out of the State General Fund by Fees and Self-generated Revenues in the event that House Bill No. 111 of the 2016 First Extraordinary Session of the Legislature is enacted into law  $ 18,000,000

Section 1.G. The commissioner of administration is authorized to make adjustments to appropriations as are necessary to effectuate the governor's deficit plan approved by the Joint Legislative Committee on the Budget on February 15, 2016, and as provided in this Act, after review of the adjustments by the Legislative Fiscal Office.
Section 2. The state treasurer is hereby authorized and directed to transfer monies from the State General Fund by Fees and Self-generated Revenues from the Department of Veterans Affairs in the amount of $5,100,000 into the State General Fund (Direct).

Section 3. Notwithstanding any provision of law to the contrary, the secretary of the Department of Health and Hospitals shall take any action necessary to control costs and achieve maximum efficiency in the Pediatric Day Health Care Program in an effort to ensure that the program serves only the most medically fragile children.

Section 4.A. Notwithstanding any provision of the law to the contrary, the state treasurer is hereby authorized and directed to transfer State Bond Commission Fees and Self-generated Revenues in the amount of ($8,000,000) into the State General Fund.

Section 4.B. In the event that the State Bond Commission approves and issues state general obligation refunding bonds before May 1, 2016, the transaction shall be structured to achieve maximum cash flow savings of approximately Eighty Million Dollars in Fiscal Year 2015-2016 and any additional savings in Fiscal Year 2016-2017 which cash flow savings shall be used to assist in eliminating the Fiscal Year 2015-2016 and Fiscal Year 2016-2017 deficits.

Section 5. Notwithstanding any provision of law to the contrary, the state treasurer is hereby authorized and directed to transfer to the State General Fund (Direct) the amounts of any reduction in State General Fund by Fees and Self-generated Revenues, Statutory Dedications, or Interagency Transfers being transferred to the State General Fund (Direct)

Section 6. In accordance with the provisions of Article VII, Section 10(E) of the Constitution of Louisiana, appropriations by the legislature from the state general fund and dedicated funds for any fiscal year shall not exceed the official forecast in effect at the time the appropriations were made. In the event that such appropriations are not generated in the 2016 First Extraordinary Session of the Legislature in order to eliminate the total current year deficit as reported to the Joint Legislative Committee on the Budget on November 20, 2015 and February 13, 2016, which deficit includes both the February 10, 2016, reductions in the official forecast and the current year expenditure items requiring action as contained in the Fiscal Status Statement as adopted by the Joint Legislative Committee on the Budget on February 13, 2016, excluding the expenditure items listed as "preamble reductions", accounting for any changes in the most recently projected amount of each current year expenditure item requiring action, the commissioner of administration shall make such adjustments and reductions as are necessary to ensure that the appropriations for the current fiscal year eliminate the deficit enumerated above.

Section 7. Act 26 of the 2015 Regular Session of the Legislature is hereby amended and reenacted as follows:

On page 28, delete lines 29 and 30, and insert the following:

"Payable from the State General Fund by Interagency Transfers from the Office of Motor Vehicles in the event HB No. 111 of the 2016 First Extraordinary Session of the Legislature is enacted into law $24,000,000"*.

On page 28, at the end of line 41, change "$611,530,624" to "$618,530,624"

Vetoed -- March 17, 2016
/s/ John Bel Edwards
Gov. of La.

Section 8. The state treasurer is hereby authorized and directed to transfer out of the State General Fund by Statutory Dedications from the Fiscal Year 2015-2016 Deficit Elimination Fund the amount of $200,000,000 into the State General Fund (Direct) to provide a source of funds to eliminate all or a portion of the Fiscal Year 2015-2016 budgetary deficit.

Section 9. This Act shall become effective upon signature by the governor or, if not signed by the governor, upon expiration of the time for bills to become law without signature by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on the day following such approval.

Approved by the Governor, March 15, 2016. A true copy:
Tom Schedler
Secretary of State

ACT No. 28

HOUSE BILL No. 22
BY REPRESENTATIVE JACKSON

To amend and reenact R.S. 51:2455(D)(3) and Section 6 of Act No. 126 of the 2015 Regular Session and to enact Section 7 of Act No. 126 of the 2015 Regular Session, relative to Act No. 126 of the 2015 Regular Session of the Legislature; to change the application filing period for certain tax rebates; to extend the sunset of reductions made in Act No. 126 of the 2015 Regular Session; to provide for an effective date; and to provide for related matters.

Be enacted by the Legislature of Louisiana:
Section 1. R.S. 51:2455(D)(3) is hereby amended and reenacted to read as follows:

D(1) * * *

(3) Applications shall be filed no later than twenty-four months after the filing of the advance notification, except for advances filed on or after July 1, 2014, January 1, 2014, and before January 31, 2014, applications may be filed at any time prior to August 15, 2015.

* * *

Section 2. Section 6 of Act No. 126 of the 2015 Regular Session is hereby amended and reenacted and Section 7 of Act No. 126 of the 2015 Regular Session is hereby enacted to read as follows:

* * *

Section 6. The provisions of Section 2 of this Act shall become effective on July 1, 2015, and shall remain effective through June 30, 2018. The provisions of Sections 3 of this Act shall become effective on July 1, 2016. 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 sunset date in the Act that originated as House Bill No. 62 of the 2016 First Extraordinary Session of the Legislature.

Section 7. 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.

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

Approved by the Governor, March 16, 2016. A true copy:
Tom Schedler
Secretary of State

ACT No. 29

HOUSE BILL No. 24
BY REPRESENTATIVE JACKSON

To amend and reenact R.S. 47:227 and 6034(C)(1)(a)(ii)(bb)(II), (c)(ii), and (d) (ii), and Act No. 125 of the 2015 Regular Session of the Legislature, relative to Sections 7 and 8 of Act No. 125 of the Regular Session of the Legislature; to extend the 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.
Be it enacted by the Legislature of Louisiana:
Section 1. R.S. 47:227 and 6034(C)(1)(a)(ii)(bb)(II), (c)(ii), and (d)(ii) are hereby amended and reenacted to read as follows:

§6034. Musical and theatrical production income tax credit

C. Income tax credits for state-certified productions and state-certified musical or theatrical facility infrastructure projects:
   (i) There is hereby authorized the following types of credits against the state income tax:
      (a) * * *
      (b) * * *
      (c) * * *
   (ii) For state-certified musical or theatrical productions that receive initial certification on or after July 1, 2015, and on or before January 1, 2016, a base investment credit may be earned for expenditures made in the state on or before January 1, 2016, for the construction, repair, or renovation of a new state-certified higher education musical or theatrical facility infrastructure project or for investments made by a company or financier in such infrastructure project that are, in turn, expended for such construction, repair, or renovation. No more than seven million two hundred thousand dollars in tax credits per project or forty-three million two hundred thousand dollars total in tax credits shall be granted for state-certified higher education musical or theatrical infrastructure projects that receive initial certification on or after July 1, 2015, and on or before January 1, 2018. Twenty-five percent of the total base investment provided for in the initial certification letter of a state-certified higher education musical or theatrical infrastructure project must be expended on or before January 1, 2020, in order for the project to earn credits for the remaining estimated base investment provided for in the initial certification letter, as expenditures are made in the state on or before January 1, 2022. No credits shall be certified until the state-certified higher education musical or theatrical infrastructure project is complete. The initial certification letter shall be effective for qualified expenditures made no more than six months prior to the date of application. State-certified higher education musical or theatrical infrastructure projects shall not be subject to the provisions of Subitem (c) of this Item nor shall such projects be subject to the provisions of Subsection H of this Section.
      (d) * * *
      (ii) To the extent that base investment is expended on payroll for Louisiana residents employed in connection with a state-certified musical or theatrical production that receives initial certification on or after July 1, 2015, and on or before January 1, 2018, except for the students provided for in Subparagraph (c) of this Paragraph, or the construction of a state-certified musical or theatrical facility infrastructure project, a company shall be allowed an additional tax credit of seven and two-tenths of one percent of such payroll; however, if the amount paid to any one person exceeds one million dollars, the additional credit shall not include any amount paid to that person that exceeds one million dollars.

Section 2. Sections 7 and 8 of Act No. 125 of the 2015 Regular Session of the Legislature are hereby amended and reenacted as follows:

Section 7.(A) Except as provided for in Subsection (B) of this Section, the provisions of Sections 1, 2, and 3 of this Act shall apply to a claim for a credit on any return filed on or after July 1, 2015, but before June 30, 2018, through the termination date in the Act that originated as House Bill No. 62 of the 2016 First Extraordinary Session of the Legislature regardless of the taxable year to which the return relates.

§55. Deductions from gross income; taxes generally

(A) Except as hereinafter provided in this 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 the state individual income tax return for that period if it is not prescribed. If it is prescribed, the deduction for federal additional taxes shall be allowed as a deduction in the state return for the period in which such additional tax is paid.

THE ADVOCATE * As it appears in the enrolled bill CODING: Words in every third type are deletions from existing law; words underscored (House Bills) and boldfaced (Senate Bills) are additions. PAGE 29
§241. Net income subject to tax
   A. The net income of a nonresident individual or a corporation subject to 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 deriving 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 deriving from sources in this state 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. 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 tax 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.

§287.69. Louisiana taxable income defined
   “Louisiana taxable income means net income after adjustments less the federal income tax deduction allowed by R.S. 47:287.86. “After adjustments” means after the application of the net operating loss adjustment allowed by R.S. 47:237.86.

§287.442. Exceptions to taxable year of inclusion; taxable year deductions taken
   A. 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. 47:227:65 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) The federal income tax deduction may be used for adjustments to taxpayer’s federal income tax return. Except as otherwise provided in this Subsection, adjustments affecting federal income tax 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 to which such tax was paid, such refund was received, or such credit was allowed, as the case may be.
         (c) 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 the transactions or conditions causing the refund.
   (d) 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 the amount of Louisiana income tax in that year by an 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.
   (e) 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.

§300.6. Louisiana taxable income of resident estate or trust
   A. Definition. “Louisiana taxable income” of a resident estate or trust means the taxable income of the estate or trust determined in accordance with federal law for the same taxable year, as specifically modified by the provisions contained in Subsection B of this Section, less a federal income tax deduction to be computed following the provisions of R.S. 47:287.83 and 287.85, in accordance with the following provisions:
      (1) In computing Louisiana taxable income, no federal income tax deduction shall be allowed on net income upon which no Louisiana income tax has been incurred, or upon which, for any reason whatsoever, no Louisiana income tax will be paid. For purposes of this Section, the federal income tax deduction may be recomputed and reduced to reflect the application of a net operating loss adjustment. When computing Louisiana taxable income, the secretary may consider reductions to the federal income tax deduction to be computed in accordance with the provisions of this Paragraph.
      (2) The alternative minimum tax is a federal income tax deductible to the extent that it is applicable to regular federal taxable income. Any alternative minimum tax paid on tax preference items shall not be deductible. In computing Louisiana income tax, after application of all credits, which is levied on income derived solely from sources in this state as computed under the rules and regulations prescribed by the secretary, may determine the deductible portion of the alternative minimum tax.
      (3) For purposes of this Section, federal income taxes shall include taxes based on net income, accumulated earnings, war profits, excess profits, personal holding company income, and tax from recomputation of investment credit. For purposes of federal income taxation as compared to the computation of net income under this Part, proper adjustment shall be made for the actual tax rates as applied to different classes of income and for all differences in the computation of net income. The amount of the federal income tax deduction shall be that portion of the total federal income tax, after application of all credits, which is levied on income derived solely from sources within this state as computed under the rules and regulations prescribed by the secretary.
      (4) As used in this Subsection, the term “credits” shall not include overpayments of prior-year taxes allowed as a credit, estimated tax payments or similar prepayments, credit for prior year alternative minimum tax that is allowed as a credit against the current regular federal income tax, or federal income tax credits determined by the secretary to be presidential disaster area disaster relief credits.

$300.7. Louisiana taxable income of nonresident estate or trust
   A. Definition. “Louisiana taxable income” of a nonresident estate or trust means the portion of the taxable income of the nonresident estate or trust determined in accordance with federal law for the same taxable year, as specifically modified by the provisions contained in Subsection C of this Section, that was earned within or derived from sources within this state, less a federal income tax deduction to be computed following the provisions of R.S. 47:287.83 and 287.85. R.S. 47:300.6.

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

Section 3. The provisions of this Act shall be applicable for all taxable periods beginning on and after January 1, 2017.

Section 4. This Act shall become operative and take effect on January 1, 2017, if the proposed amendment of Article VII of the Constitution of Louisiana contained in the Act which originated as House Bill No. 31 of the 2016 First Extraordinary Session of the Legislature is adopted at a statewide election and becomes effective.

Approved by the Governor, March 16, 2016.

A true copy:
Tom Shedler
Secretary of State

* As it appears in the enrolled bill

CODING: Words in italics through type are deletions from existing law; words underscored (House Bills) and underscored and boldfaced (Senate Bills) are additions.
Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members elected to each house concurring, that there shall be submitted to the electors of the state of Louisiana, for their approval or rejection in the manner provided by law, a proposal to amend Article VII, Section 4(A) of the Constitution of Louisiana, to read as follows:

§4. Income Tax; Severance Tax; Political Subdivisions

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 state individual and joint income tax schedule of rates and brackets shall never exceed the rates and brackets set forth in Title 47 of the Louisiana Revised Statutes on January 1, 2003. Federal income taxes paid shall be allowed as a deductible item in computing state individual income taxes for the same period.

*   *   *

Section 2. Be it further resolved that the provisions of the amendment contained in this Joint Resolution shall become effective on January 1, 2017, and shall be applicable for all tax years beginning on and after January 1, 2017.

Section 3. Be it further resolved that this proposed amendment shall be submitted to the electors of the state of Louisiana at the statewide election to be held on November 8, 2016.

Section 4. Be it further resolved that on the official ballot to be used at the election, there shall be printed a proposition, upon which the electors of the state shall be permitted to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as follows:

Do you support an amendment to eliminate the deductibility of federal income taxes paid in computing state corporate income taxes? (Effective January 1, 2017) (Amends Article VII, Section 4(A))

A true copy:

Tom Schedler
Secretary of State

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