

Sales Tax Exemptions and Exclusions - for November 17, 2016 Meeting

<u>Orig Year</u>	<u>Cite</u>	<u>Sales Tax Exemptions (Number Assigned in 2013 TEB)</u>	<u>6/30/2015</u>	<u>State/Local Base</u>	<u>Exemption Applicability</u>	<u>Type (Statutory Designation)</u>	<u>Act 25 taxed or retained?</u>	<u>Act 26 New 1% taxed or retained?</u>	<u>Act 12 restored</u>	<u>Preliminary Recommendation for Discussion (pre-meeting)</u>	<u>Recommendation of the Commission (post-meeting)</u>
1959	R.S. 47:305.1	109. Sales of 50-ton vessels and new component parts and sales of certain materials and services to vessels operating in interstate commerce	###	Both	Interstate Commerce	Exemptions	Retained	Retained		Retain exemption, suggest taking exemption certificates off of the internet and increasing penalties for improper use and acceptance of certificates	
2002	R.S. 47:301(16)(h), (22) and (23), and R.S. 47:305.52	72. Purchases of certain custom computer software	###	Local Variance	Services	Exclusions	Taxed	Taxed		Retain as exemption for the consulting work that is done to customize the software, but have sales tax apply to the purchase of any canned product that is the base of the customized product	
2002	R.S. 47:301(10)(v), (13)(g) and (h), and (18)(i)	45. Sales of cellular telephones and electronic accessories (free phones)	###	Both	Telecommunications	Exclusions	Taxed	Taxed		Retain as it appears to be a valuation method only. Do not list in the TEB.	
2009	R.S. 47:305.64	159. Purchase, Lease or Repair of certain capital equipment and computer software of qualifying radiation therapy treatment centers	###	Local Variance	Medical	Exemptions	Taxed	Taxed		Eliminate since taxed in both Act 25 and 26 and creates a base difference and no other Medical Capital Equip has an exemption	
1986	R.S. 47:305(A)(4)	93. Feed and feed additives for animals held for business purposes	+++	Both	Agricultural - Farm	Exemptions subject to 1% Susp Rate	Retained	Retained		Retain exemption (in full) since does not represent a base difference and appears to be exempted by most states.	
1982	R.S. 47:305.37	135. Sales of certain fuels used for farm purposes	###	Local Variance	Agricultural - Farm	Exemptions	Retained	Taxed		Retain exemption since should not represent a local variance as locals are prohibited from taxing fuel.	
2009	R.S. 47:305.63	158. Sale of polyroll tubing	###	State only	Agricultural - Farm	Exemptions	Taxed	Taxed		Retain and extend to local governments	
1991	R.S. 47:301(13)(c)	57. First \$50,000 of new farm equipment used in poultry production	See number 11	Both	Agricultural MME	Exclusions	Retained	Retained		Structure as a refund due to cap and threshold	
1978	R.S. 47:305.25 and 337.10(I)	130. First \$50,000 of the sales price of certain farm equipment	See number 11	Local Variance	Agricultural MME	Exemptions	Retained	Retained		Structure as a refund due to cap and threshold and base difference	
1975	R.S. 47:305.20(A) and (G)	128. Purchases of supplies, fuels, and repair services for boats used by commercial fishermen	###	Local Variance	Agricultural Seafood	Exemptions	Taxed	Taxed	Restored	Hear testimony	

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1991	R.S. 47:305.20(C)	129. Certain seafood-processing facilities	###	Local Variance	Agricultural Seafood	Exemptions	Taxed	Taxed	Restored	Hear testimony	
1988	R.S. 47:305(A)(6)	95. Materials used in the production or harvesting of catfish	+++	State only	Agricultural Seafood	Exemptions subject to 1% Susp Rate	Retained	Retained		Hear testimony	
1987	R.S. 47:305(A)(5)	94. Materials used in the production or harvesting of crawfish	+++	State only	Agricultural Seafood	Exemptions subject to 1% Susp Rate	Retained	Retained		Hear testimony	
1979	R.S. 47:305(A)(2)	92. Livestock and racehorses	###	State only	Horse Racing	Exemptions	Retained	Retained		Extend exemption for race horses to local government since should be offset by new taxability of pari-mutuel establishments. / Consider extending exemption for livestock to local governments	
2007	R.S. 47:301(16)(n)	79. Purchases of machinery and equipment by owners of certain radio stations	See number 11	State only	Business MM&E: Radio	Exclusions	Taxed	Taxed		Mass Communications: Extend exemption for equipment that is part of an FCC mandated conversion for all broadcasters to the local governments or structure as refund	
2007	R.S. 47:301(3)(i)(ii)(aa)(I)(eee) and 337.10(I)	12. Purchases of Certain Machinery and Equipment used to Produce a News Publication	See number 11	Local Variance	Business MM&E: Newspapers	Exclusions	Taxed at 1% from 4/2016 - 6/2018	Taxed from 4/2016 - 6/2016		Mass Communications: Extend exemption for purchases of equipment for newspapers to the local governments. Make one consistent definition of newspaper for all sections of law	
2007	R.S. 47:301(16)(p)	81. Sales of Newspapers	###	Both	Newspapers	Exclusions	Taxed	Taxed		Retain but add a definition of newspapers as defined under postal regulations (now make sure consistent with definition in #12)	
1985	R.S. 47:305.44	142. Raw materials used in the printing process	+++	Both	Printing Materials	Exemptions subject to 1% Susp Rate	Taxed	Taxed		Mass Communications: add the required list of materials to the new section for newspapers / Restrict Commerical Printers exemption to materials bought directly for resale as part of a distinct job	
1948	R.S. 47:301(1) and (10)(c)(ii)(bb)	4. Isolated or Occasional Sales of Tangible Personal Property	###	Both	Occasional Sales	Exclusions	Taxed	Retained	Restored	Review LDR proposal for new wording	

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2009	R.S. 47:301(3)(k)	9. Purchases of Consumables by Paper and Wood Manufacturers and Loggers	See No. 11	State only	Business Consumables	Exclusions	Taxed	Taxed		Eliminate since consumables are not exempted for any other industry and this represents a base difference	
1996	R.S. 47:301(3)(f) and (13)(d)	174. "Sales or cost price" of refinery gas	-	Both	Oil & Gas: Valuation Formula	Statutorily Prescribed Methods of	Taxed	Taxed		Review LDR Clarification to determine proper treatment	
2009	R.S. 47:301(10)(gg), (18)(p)	54. Sales of Anthropogenic Carbon Dioxide use in Qualified Tertiary Recovery Projects	###	Both	Oil & Gas: Business Materials	Exclusions	Taxed	Taxed		Review LDR Clarification to determine proper treatment	