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SCALISE, GARY SMITH, JANE SMITH, STRAIN, THOMPSON, TUCKER, WADDELL,
WALSWORTH, WILLIAMS, AND WOOTON

AN ACT 1 To enact R.S. 47:305.56 and 337.9(D)(28), relative to sales and use tax exemptions;
to 2 provide for a state and local sales and use tax exemption for certain water 3 conservation
equipment in the Sparta Groundwater Conservation District; to provide 4 for an effective date;
and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana: 6 Section 1. R.S. 47:305.56 and 337.9(D)(28) are
hereby enacted to read as follows:

7 §305.56. Exemption; certain water conservation equipment; Sparta Groundwater 8
Conservation District 9 A.(1) Within the limits provided for in Paragraph (2) of this Subsection,
the 10 sales and use tax imposed by all tax authorities in the state shall not apply to sales 11 of
water conservation equipment for use within the Sparta Groundwater 12 Conservation District
from July 1, 2007, through June 30, 2010. Only persons 13 defined as "users" under R.S.
38:3087.133(7) shall be eligible for this exemption. 14 (2)(a) The secretary of the Department of
Revenue shall issue exemption 15 certificates for the purchase of a certain dollar amount of
water conservation 16 equipment as requested by the person and shall keep a record of the
exemption 17 certificates issued. However, the secretary shall not issue exemption certificates 18
which will grant users aggregate total exemptions in excess of one million dollars of 19
[Page 2 of 3] state sales tax. Once such limit is reached, no exemptions shall be granted against 1
the sales tax of political subdivisions of the state. 2 (b) The secretary of the Department of
Revenue shall promulgate rules and 3 regulations for the implementation of this Section in
accordance with the 4 Administrative Procedure Act. 5 B. Any person seeking to qualify for this
exemption must apply for an 6 exemption certificate with the secretary of the Department of
Revenue which shall 7 be granted on a first-come, first-served basis. Prior to application for an
exemption 8 certificate, the applicant must receive certification from the commissioner of 9
conservation that the equipment qualifies as water conservation equipment. The 10 certification
by the commissioner of conservation shall be attached by the board to 11 the application for the
exemption certificate. In accordance with the powers defined 12 in R.S. 38:3087.136, the board
shall determine the types of equipment which qualify 13 as water conservation equipment,
provided that the board is able to determine 14 through adequate documentation which shall be
retained by the board that such 15 equipment must reduce water consumption by at least twenty-
five percent. 16 * * * 17 §337.9. Exemptions applicable to local tax in Chapters 2, 2-A, and 2-B;
other 18 exemptions applicable 19 * * * 20 D. 21 * * * 22

(28) R.S. 47:305.56, "keywords": certain water conservation equipment; 23 Sparta Groundwater
Conservation District. 24

[Page 3 of 3] are additions.

Section 2. This Act shall become effective on July 1, 2007; if vetoed by the governor 1 and
subsequently approved by the legislature, this Act shall become effective on July 1, 2 2007, or on
the day following such approval by the legislature, whichever is later. 3 SPEAKER OF THE
HOUSE OF REPRESENTATIVES PRESIDENT OF THE SENATE GOVERNOR OF THE
STATE OF LOUISIANA APPROVED: