

Regular Session, 2005

SENATE BILL NO. 344

BY SENATOR BAJOIE

TAX/SALES. Authorizes job training institutions for the disadvantaged and disabled to claim a state sales tax refund equal to 50% of tax collected during a calendar year on the sale of donated goods, not to exceed \$1 million. (7/1/05)

1 AN ACT

2 To enact R.S. 47:315.5, relative to reduction of state sales tax through refunds; to provide
3 for a refund to certain job training institutions for the disadvantaged and disabled;
4 and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 47:315.5 is hereby enacted to read as follows:

7 **§315.5. Sales tax refund; job training institutions for the disadvantaged and**
8 **disabled**

9 **A. A job training institution for the disadvantaged and disabled in this**
10 **state shall be entitled to a refund equal to fifty percent of the sales tax of the**
11 **state or any political subdivision of the state collected during a calendar year on**
12 **the sale of donated goods, not to exceed a refund of one million dollars in any**
13 **such calendar year. The refund shall be used exclusively for capital**
14 **construction, equipment, job training, or job placement, employment, or other**
15 **related community service program costs of the institution in this state.**

16 **B. As used in this Section:**

17 **(1) "Capital construction cost" means the construction of new facilities,**

1 the purchase and renovation of existing facilities, or the acquisition of real
2 property.

3 (2) "Job training institution for the disadvantaged and disabled" means
4 an entity which does all of the following:

5 (a) Routinely sells donated items.

6 (b) Provides job training and employment to individuals with workplace
7 disadvantages and disabilities.

8 (c) Is a 501(c)(3) organization.

9 (d) Spends at least seventy-five percent of its annual revenue on
10 employment, job training, job placement, or other related community services.

11 C.(1) In order to obtain the refund, the institution shall submit a refund
12 application to the secretary, accompanied by such records of capital
13 construction, equipment, program costs, and any other information the
14 secretary deems necessary.

15 (2) Notwithstanding any other law to the contrary, the secretary may
16 investigate, audit, and take any action to recover all or any portion of a refund
17 within four years from the date the refund is received.

18 D. Notwithstanding any other provision of law to the contrary, refunds
19 under this Subsection shall be made directly to the institution. Interest shall not
20 be allowed or paid on the refund.

21 Section 2. This Act shall become effective on July 1, 2005; if vetoed by the governor
22 and subsequently approved by the legislature, this Act shall become effective on July 1,
23 2005, or on the day following such approval by the legislature, whichever is later.

The original instrument and the following digest, which constitutes no part
of the legislative instrument, were prepared by Riley Boudreaux.

DIGEST

Proposed law authorizes "job training institutions for the disadvantaged and disabled" to claim a refund equal to 50% of the state sales tax collected during a calendar year on the sale of donated goods, not to exceed a refund of \$1 million in any such calendar year. "Job training institution for the disadvantaged and disabled" is defined as an entity which does all of the following:

- (1) Routinely sells donated items.
- (2) Provides job training and employment to individuals with workplace disadvantages and disabilities.
- (3) Is a 501(c)(3) organization.
- (4) Spends at least 75% of its annual revenue on employment, job training, job placement, or other related community services.

The refund must be used exclusively for capital construction, equipment, job training, or job placement, employment, or other related community service program costs of the institution in this state. "Capital construction cost" is defined as the construction of new facilities, the purchase and renovation of existing facilities, or the acquisition of real property.

The institution must submit a refund application to the secretary, accompanied by such records as the secretary deems necessary. The secretary may investigate, audit, and take any action to recover a refund within 4 years from the date the refund is received.

Refunds are to be made directly to the institution and interest is not allowed on the refund.

Effective July 1, 2005.

(Adds R.S. 47:315.5)