



**Revenue Information Bulletin
No. 07-029
September 20, 2007
Sales Tax**

**Legislation Provides Sales/Use Tax Exclusion for Manufacturing Machinery
and Equipment of Vehicle Manufacturers**

Act 1 of the 2007 regular session of the Louisiana Legislature enacted R.S. 47:301(16)(m) to provide that, for purposes of the state and local sales and use tax, the term “tangible personal property” shall not include machinery and equipment used by motor vehicle manufacturers with a North American Industry Classification System (NAICS) code beginning with 3361. The Act further provides that the exclusions and definitions already provided in the law by R.S. 47:301(3)(i)(ii) for the terms “machinery and equipment”, “manufacturer”, “manufacturing”, “manufacturing for agricultural purposes”, “plant facility”, and “used directly” shall be applicable to this new exclusion. Act 1 is effective May 31, 2007.

The effect of Act 1 is to immediately make fully effective for motor vehicle manufacturers the sales/use tax exclusions for manufacturing machinery and equipment that are being phased in annual percentage increments for other eligible manufacturers.

Questions can be directed to the department’s Taxpayer Services Division at (225) 219-7356.

Cynthia Bridges
Secretary

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