



STATE OF LOUISIANA  
DEPARTMENT OF REVENUE

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Private Letter Ruling No. 02-003

**Redacted version**

Sales Tax

August 29, 2002

Exemption for Sales or Purchases by Blind Persons

This private letter ruling identifies the criteria necessary to qualify for a sales tax exemption as a blind vendor. The facts of the case are presented below.

A business, operated as a sole proprietorship, teaches disabled individuals to repair small tools. After training, the company sells parts to these individuals, who repair small tools for private and governmental customers. The owner is 99 percent legally blind and the company exists exclusively to provide financial support for the owner and the owner's family.

La. R.S. 47:305.15 (La. Acts 1973, No. 61 as amended by La. Acts 1994, No. 26) provides an exemption from state sales and use taxes for sales or purchases made in the conduct of a business by blind persons when they are exempt from license, privilege or vocational taxes under La. R.S. 46:371 through 373. La. R.S. 46:371 defines a blind person as one "...who is totally blind in both eyes, or ... any person whomsoever, whose sight with the use of both eyes is so impaired as to make the sense of sight of no practical benefit or help in the pursuit of business, or in the course of earning a living." La. R.S. 46:372(A), adds that without obtaining an occupational license, "Any blind person as defined in this Sub-part may exercise the privileges of peddler, news dealer, lunch counter operator, or may exercise the right to trade, traffic or sell any merchandise, whether on foot, by vehicle or in stores, when the stock of goods on hand, or the equipment or capital stock of the enterprises, never exceeds the sum of two thousand dollars." Also, the blind individual must operate as a sole proprietorship. Although La. R.S. 47:301(8)(a) defines corporations, limited liability companies, associations, trusts, etc. as "persons" for sales tax purposes, these entities do not possess the sense of sight and cannot become legally blind and qualify for exemption under La. R.S. 47:305.15 and 46:372(A).

Therefore, in addition to meeting the definition of a blind person under La. R.S. 46:371, the value of the stock on hand, equipment, or capital stock of the business must never exceed \$2,000 for the taxpayer to be exempt under La. R.S. 47:305.15 and 46:372. Taxpayers that meet all of the conditions listed above qualify for the sales tax exemption granted under La. R.S. 47:305.15.

Questions and comments about this matter should be directed to the Policy Services Division at (225) 219-2780.

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Secretary

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