



**Revenue Information Bulletin
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Sales Tax**

**Legislature Extends Effective Date of Sales Tax Exemption for Certain Trucks,
Trailers, and Contract Carrier Buses in Interstate Commerce**

Act 10 of the First Extraordinary Legislative Session of 2004 has removed the expiration date of the state and local sales tax exemptions provided by R.S. 47:305.50 for certain trucks, trailers, and contract carrier buses operating in interstate commerce. The exemptions were to have expired on June 30, 2004. The exemptions will now apply indefinitely.

R.S. 47:305.50 provides a state and local sales tax exemption for trucks with a gross weight of 26,000 pounds or more, trailers, and contract carrier buses, provided that these vehicles are used at least 80 percent of the time in interstate commerce. In order for the trucks and trailers to be entitled to the exemption, their activities must be subject to the jurisdiction of the United States Department of Transportation.

R.S. 47:305.50 provides that the terms “trucks” and “trailers” shall have the meanings ascribed to the terms truck, trailer, road tractor, semitrailer, tandem truck tractor, and truck-tractor in R.S. 47:451. The term “bus” is defined by R.S. 47:305.50 as a commercial vehicle with a minimum passenger capacity of thirty-five persons and a minimum gross vehicle weight of twenty-six thousand pounds. The term “contract carrier” is defined as any person transporting, other than as a common carrier, persons for hire, charge, or compensation, over any highway of this state, or however utilizing said public facilities for private gain to be realized chiefly out of such transportation service.

Questions concerning this matter can be directed to the Taxpayer Services Division at 225.219.7356.

Cynthia Bridges
Secretary

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