



**Revenue Information Bulletin
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Sales Tax**

**Phased-in Exclusion on Certain Tangible Property Related to the
Manufacturing Process**

[Act 466 of the Regular Session of the 2009 Louisiana Legislature](#) enacts La. R.S. 47:301(3)(k) to provide a phased-in exclusion from state sales tax for tangible personal property consumed in the manufacturing process by qualifying manufacturers. The phased-in exclusion includes fuses, belts, felts, wires, conveyor belts, lubricants and motor oils and the cost price of repairs and maintenance of manufacturing machinery and equipment. A “manufacturer” for purposes of this exclusion is defined as a person whose principal activity is manufacturing and who is assigned an industry group designation by the United States Census of 3211 through 3222 or 113310 pursuant to the North American Industry Classification System of 2007. Manufacturers who fall within these parameters include sawmills, wood preservation, veneer, plywood, and engineered wood product manufacturing, other wood product manufacturing, pulp, paper and paperboard mills, converted paper product manufacturing, and logging. Act 466 is effective August 15, 2009, and the exclusion percentages are phased-in as follows:

From	To	Exclusion Percentage
7/1/2010	6/30/2011	25%
7/1/2011	6/30/2012	50%
7/1/2012	6/30/2013	75%
7/1/2013		100%

In order to qualify as manufacturer as set forth under Act 466, taxpayers must apply to LDR for certification.

Questions concerning this legislation should be directed to the Louisiana Department of Revenue’s Special Programs Division at 225-219-7356, Option 3, or by e-mail to sales.inquiries@la.gov.

Cynthia Bridges
Secretary

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