



JAMES D. "BUDDY" CALDWELL
ATTORNEY GENERAL

State of Louisiana
DEPARTMENT OF JUSTICE
P.O. BOX 94005
BATON ROUGE
70804-9005

AUG 03 2015
OPINION 15-0070

Darrell R. Avery
Assistant District Attorney
Second Judicial District
500 East Court Avenue
Room 201
Jonesboro, LA 71251

90-A-1 PUBLIC FUNDS & CONTRACTS
119-TAXATION, EXEMPTIONS
160-TAXATION-SALES TAX

La. R.S. 47:337.7
La. R.S. 47:337.9
La. R.S. 47:337.10

The Jackson Parish Police Jury may not grant an exemption to a business from the payment of the Parish sales and use tax related to the purchase of materials and supplies purchased in connection with the construction of a hotel absent an exemption set forth in the Uniform Local Sales Tax Code.

Dear Mr. Avery:

On behalf of the Jackson Parish Police Jury (the "Police Jury"), you have requested an opinion from this office regarding the authority of the Police Jury to waive or grant an exemption to a person or business from the payment of a Jackson Parish sales and use tax. Specifically, you have indicated that the Police Jury currently levies a 1% Parish sales and use tax, which is dedicated to road construction and solid waste. Your request states that Global Hotels International, LLC ("Global Hotels") plans to build a Sleep Inn Hotel in the Town of Jonesboro located in Jackson Parish. Global Hotels has requested a waiver or exemption from the 1% sales and use tax for all materials purchased in connection with the construction of the hotel. You have asked whether the Police Jury has the authority to grant such an exemption or waiver of the sales and use tax to Global Hotels. You have also asked whether the Police Jury may grant an exemption or waiver of the sales and use tax to any person or business, on a case by case basis, for materials and supplies purchased in connection with building projects within Jackson Parish.

Sales and use taxes imposed and levied by political subdivisions of the State of Louisiana are governed by the Uniform Local Sales Tax Code, found at La. R.S. 47:337.1 *et seq.* La. R.S. 47:337.7 states, in relevant part:

No exemption from sales and use tax enacted or granted after July 1, 2003, shall be applicable to any sales and use tax levied by any political subdivision unless such exemption is enacted as an amendment to this Chapter...

This provision means that no exemption for the payment of a local sales and use tax can be granted unless that exemption is provided for in the Uniform Local Sales Tax Code. La. R.S. 47:337.9 contains numerous exemptions and exclusions that are applicable to State sales tax as well as local sales tax, while La. R.S. 47:337.10 provides numerous exemptions for local sales and use taxes that can be granted by political subdivisions at its discretion. Despite the exhaustive list contained in those statutes, as well as other provisions of the Uniform Local Sales Tax Code, nothing appears to authorize an exemption to businesses for materials purchased in connection with the construction of a hotel.

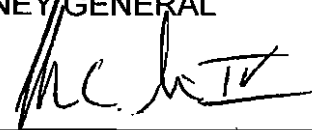
Accordingly, it is the opinion of this office that the Jackson Parish Police Jury may not grant an exemption to Global Hotels International, LLC from the payment of the Parish sales and use tax, because the Uniform Local Sales Tax Code does not authorize such an exemption. It may be permissible for the Police Jury to grant an exemption to another person or business, as long as that exemption is authorized by the Uniform Local Sales Tax Code.

We trust this adequately responds to your request. However, if our office can be of further assistance, please do not hesitate to contact us.

Yours very truly,

JAMES D. "BUDDY" CALDWELL
ATTORNEY GENERAL

By:



John C. Morris IV
Assistant Attorney General

JDC/JCMIV