# OCCUPATIONAL LICENSE TAX MANUAL

## CHAPTER 3 OF SUBTITLE II OF TITLE 47
## LOUISIANA REVISED STATUTES OF 1950

**As amended through the 2013 Legislative Session**

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This is Title 47, Chapter 3, of the Louisiana Revised Statutes, after all revisions passed through the 2004 Legislative Session. This manual is for use in 2004 and all subsequent years.

# CHAPTER 3. OCCUPATIONAL LICENSE TAX

## 341. Imposition of Tax; Municipalities and Parishes

A. Any municipality or parish shall have the right to impose a license tax on any person conducting any business herein enumerated within the territorial jurisdiction of the municipality or parish at a rate which shall not exceed the maximum tax rates set forth in this Chapter, provided that the imposition of such license tax is approved by two-thirds of the elected members of the municipal or parochial governing authority and after affording the public an opportunity to comment at a minimum of three public hearings.

B. The tax collector, administrator of finance, treasurer, or any other officer whose duty is to receive and collect the taxes and money due to each municipality or parish may enforce the collection of any and all taxes due.

## 342. General definitions

For the purposes of this Chapter, unless the context clearly otherwise requires or unless otherwise defined in specific portions of the Chapter, the following words shall have the respective meanings ascribed to each in this Section:

**(1) Business.** "Business" includes any business, trade, profession, occupation, vocation, or calling.

**(2) Collector.** For the purpose of this Chapter, the "collector" is the tax collector, finance officer, treasurer, city clerk, or any other officer whose duty is to receive and collect the taxes and money due to each municipality and parish.

**(3)(a) Contractor.** "Contractor" is synonymous with the term "Builder" and means a person, firm, partnership, corporation, association, or other organization, or a combination of them, which undertakes to or offers to undertake to, or purports to have the capacity to undertake to, or submits a bid to, or does himself or by or through others, construct, alter, repair, add to, subtract from, improve, move, wreck, or demolish any building, highway, road, railroad, excavation, or other structure, project, development or improvement, or to do any part thereof, including the erection of scaffolding or other structure or works in connection therewith and includes subcontractors and specialty contractors. As such, the word, "contractor" shall include oil field service contractors, including those contractors performing general oil well servicing, maintenance, and construction when conducted as a single company unit. General oil well servicing shall include welding, pipe coating, pipe inspection, wireline service, automation, workover, logging, analysis, seismograph, installing and servicing equipment, packing, platform work, perforating, and completion.

**(b)** Notwithstanding any provision of law to the contrary, in any parish with a population of between three hundred and fifty thousand and four hundred and thirty-five thousand, according to the latest federal decennial census, "contractor" shall be synonymous with the term "builder" and means a person, firm, partnership, corporation, association, or other organization, or a combination of them, which undertakes to or offers to undertake to, or purports to have the capacity to undertake to, or submits a bid to, or does himself or by or through others, construct, alter, repair, add to, subtract from, improve, move, wreck, or demolish any building, highway, road, railroad, excavation, or other structure or movable, project, development or improvement, or to do any part thereof, including the erection of scaffolding or other structure or works in connection therewith and includes subcontractors and specialty contractors. As such, the word, "contractor" shall include oil field-related fabrication and oil field service contractors, including those contractors performing maintenance, construction, and fabrication of tangible property, movable or immovable, and general oil well servicing, maintenance, and construction when conducted as a single company unit. "General oil well servicing" and "fabrication" shall include welding, pipe coating, pipe inspection, wireline service, automation,

workover, logging, analysis, seismograph, installing and servicing equipment, packing, platform work, perforating, and completion. The provisions of R.S. 47:342(3)(b) as enacted by Act 326 of 2011 effective on August 15, 2011.

**(4) Contractor's gross receipts.** For the purposes of computing the license fee provided for in R.S. 47:355 of this Chapter, a contractor's gross receipts are determined the same for all contractors, whether or not they have a lump sum contract or a cost-plus contract. The gross receipts for a lump sum contract are based on the actual amount of the contract, whereas, the gross receipts for a cost-plus contract are based on the actual cost of the contract to the owner including the amount added thereto as a fee.

**(5) Fixed location.** For the purpose of this Chapter, a "fixed location" means any permanent structure which is used to provide goods or services to consumers.

**(6) Gross commissions for travel agencies.** For carrying on each business of travel agency, the license tax shall be based on gross commissions. "Gross commissions" for travel agencies is defined as fees earned on the sales of tickets and provision of other services and shall not include actual ticket prices.

**(7) Gross income for real estate broker.** For carrying on each business of real estate broker, the license tax shall be based on gross income. "Gross income for real estate brokers" is defined as those fees from any source deposited into the real estate broker's agency's general fund account less escrow deposits, and less fees paid to cooperating real estate brokers. Notwithstanding any provisions herein to the contrary, the maximum amount paid by a real estate broker shall be two thousand, two hundred dollars.

**(8) Peddler.** For the purpose of this Chapter, a "peddler" means any person who for himself or any other person, goes from house to house, or place to place, or store to store, exposing and selling the merchandise which he carries with him and delivering the same at the time of or immediately after the sale or without returning to the base of business operation between the taking of the order and the delivery of the goods; however, any person who uses the same vehicle or a combination of one or more vehicles for the purpose of taking orders and delivering merchandise, regardless of the fact that the vehicle returns to the base of operations between the taking of the order and the delivery of the merchandise, shall be deemed a peddler, unless such person can show that the merchandise delivered is accompanied by an invoice or delivery ticket prepared at the base of operations and which conforms to the original order and that the person delivering the merchandise has permitted no deviation from the original order by allowing the purchaser to reject, cancel, increase, or decrease the quantity at the time of delivery or to offset against such quantity any merchandise delivered at a prior time which is being returned. This extension of the meaning of the term "peddler" shall not be interpreted so as to prevent rejection of cancellation of bonafide orders or the return of inferior merchandise, but shall be construed so as to prevent persons peddling merchandise from escaping their tax liability by subterfuge through means of so-called "standing order" or blanket advance orders, increase and decrease in quantities at the time of delivery, arbitrary rejections and cancellations and offset of merchandise returned by reason of nonsale rather than obligation of warranty, all of which are hereby declared to be mere devices to prevent normal methods of operations so as to disguise the business of a peddler as an ordinary wholesale business. Peddler shall include but is not limited to, hawkers, itinerant vendors, and any retail dealers not having a fixed place of business.

**(9) Person.** "Person" includes an individual, firm, corporation, partnership, association, or other legal entity.

**(10) Retail dealers to institutional consumers.** For the purpose of this Chapter, a "retail dealer to institutional consumers" includes all businesses selling, at retail from a fixed place of business, merchandise to dairymen, cattlemen, or farmers, to federal, state, parish, or municipal governments or institutions, to educational or charitable institutions, to hospitals, manufacturers, public utility companies, processors, refiners, fabricators, contractors, severers of natural resources, carriers of freight or passengers, pipe lines, hotels, and restaurants provided that such sales constitute the major portion of the business.

**(11) Separate Location.** As used in R.S. 47:346 of this Chapter a "separate location" exists unless a similar or associated type of business is operated as a unit under a single roof or on the same contiguous tract of land.

**(12) Wholesale dealer.** For the purpose of this chapter, except as specifically provided in this Chapter, a "wholesale dealer" means any person who sells to other dealers who in turn resell.

**343. Payment of Tax**

A. Except as otherwise expressly provided, the first license tax herein authorized to be levied shall be due and payable to the tax collector as follows:

(1) In the case of any business which is subject to license under this Chapter, commencing on or after the effective date of this Chapter, the license tax shall be due and payable on such date of commencement.

(2) In the case of a business commenced prior to the effective date of this Chapter, the license tax shall be due and payable on January 1, 1988.

B. (1) Annually thereafter all license taxes levied hereunder shall be due and payable on January first of each calendar year for which the license is due, except that for a new business commencing after January first of any calendar year, the first license shall be due and payable on the date the business is commenced.

(2) All licenses unpaid after the last day of February of the calendar year for which they are due or, in the case of a new business, unpaid on the date such business is commenced shall be deemed delinquent and subject to the payment of delinquent interest and penalty. Delinquent interest and penalty shall be computed from March first of the calendar year for which they are due.

C. For ongoing businesses which cease operation between January first and the last day of February of the current license year, the license for the year shall be based on their gross receipts for the prior year, divided by three hundred sixty-five and multiplied by the number of days in which they were in operation.

**344. New business; license due upon commencement**

A. In the case of a new business, the license tax is due and payable upon commencement of the business. Within forty days after commencing the business, each person shall compute in the manner provided in R.S. 47:348 the balance of the license tax, if any, owed for the year in which the business is started and pay such tax balance. When the business is begun prior to July first of any year, the tentative tax shall be the minimum annual rate for the particular class of business in cases in which the tax is based on gross receipts, sales, fees, premiums, or commissions, or the full annual rate in cases in which the tax is based on a specific amount per unit. When the business is begun on or after July first of any year, the tentative tax shall be one-half of the minimum annual rate or the specific amount per unit, as the case may be.

**345. Change of ownership or lessee**

A. The license is issued in the name of the person making application and paying the initial fee and is not transferable or assignable. If at any time during the license year a change of ownership takes place, the license period is from January first, to the date of sale or change of lessee. A "change of ownership" occurs when a business is sold or leased, and does not include changes in partnership or corporate shares.

B. The new owner or lessee shall obtain another business license, as the license issued to the former owner or lessee is not transferable or assignable. The license period for the new owner or lessee covers the date of transfer or ownership or lease to December thirty-first of the license year. The collector shall be notified within ten days when a change is effected.

**346. Separate license required for each location, based on primary class of business**

Except as otherwise provided in this Chapter, only one license shall be required for each place of business, and the license shall be based upon the classification of business which constitutes the major portion of the taxable annual gross sales and receipts. However, any person operating coin vending or weighing machines shall obtain only one license, regardless of the locations of the machines. However, a separate license shall be required for hotels, motels, rooming houses, and boarding houses. Such license shall be in addition to the license required if other classes of business are operated in conjunction with the hotel, motel, rooming house, or boarding house.

**347. Class of business**

In order to calculate the license fee for a business location at which business activities are carried on that fall under more than one tax basis schedule, gross receipts, fees, or commissions for each group of activities falling under each schedule must be compared. The rate for the schedule which constitutes the major portion of the gross receipts, fees, or commissions will be used. However, the total gross receipts, fees, or commissions for all business activities carried on at the business location, minus any applicable deductions, are applied to the schedule to compute the fee.

**348. Period used where gross receipts are the measure of the license**

A. The basis for determining the amount of the annual licenses provided by this Chapter, where the license is measured by gross receipts shall be as follows:

(1) If the business has been conducted previously by the same party, the annual gross receipts, gross fees or gross commissions earned, whether received or accrued, during the preceding calendar year for which the license is issued shall be the basis for determining the amount of the annual license.

(2) If the business is begun during the calendar year for which the license is issued, the license for the year of commencement shall be based on the gross receipts, gross sales, gross premiums, gross fees, or gross commissions earned, regardless of whether received or accrued, during the first thirty days of business, multiplied by the number of months, or major fraction thereof remaining in the calendar year; however, any business which opens after June thirtieth of the year in question whose estimated gross receipts for the remainder of the year are less than one-half of the maximum gross revenue allowed in the minimum rate under the classification of the particular business, shall pay for the remainder of the year at one-half the minimum rate.

(3) If the business is begun less than thirty days before the end of the calendar year for which the license is to be issued, the tax shall be based on the gross receipts, gross sales, gross premiums, gross fees, or gross commissions earned, regardless of whether received or accrued, during the calendar year; however, one-half of the annual rate shall apply to such businesses whose gross receipts for the period operated during the calendar year is less than one-half of the maximum gross revenue allowed in the minimum rate under the classification of the particular business.

(4) The license tax of the business for the calendar year following that of commencement shall be based on the gross receipts, gross sales, gross premiums, gross fees, or gross commissions earned, regardless of whether received or accrued, during the previous year, divided by the number of days in operation during the year of commencement, and multiplied by three hundred sixty-five.

B. The date of beginning business for the purposes of this Chapter shall depend upon the type of business involved, and shall be governed by regulations promulgated by the collector of revenue according to law.

**349. Taxpayers required to keep records; confidentiality**

A. In general each person shall keep a reasonable record of his gross receipts, gross fees or commissions, or loans made. This record shall be kept separately for each place of business, and shall be subject to examination and inspection by the collector or his duly authorized assistants.

B. (1) Except as otherwise provided by law, the records and files of the collector or the records and files maintained pursuant to a tax ordinance, excluding ad valorem property taxes and ad valorem property tax assessment rolls, of any political subdivision are confidential and privileged, and no person shall divulge or disclose any information obtained from such records and files except in the administration and enforcement of the tax laws of this state or of a political subdivision of this state.

(2) No person shall divulge or disclose any information obtained from any examination or inspection of the premises or property of any person in connection with the administration and enforcement of the tax laws of this state or a political subdivision of this state except to the taxing jurisdiction of his employment or, in the case of an already existing independent contractor arrangement, to the contracting taxing jurisdiction.

(3) Neither the collector nor any employee engaged in the administration or charged with the custody of any such records or files shall be required to produce any of them for inspection or use in any action or proceeding, except in an action or proceeding in the administration or enforcement of the tax laws of this state or of a political subdivision.

(4) Any officer, employee, or agent or any former officer, employee, or agent of any political subdivision of the state who unlawfully discloses any information obtained from a return of a taxpayer or records and files of the collector, contrary to the provisions of this Section, shall be guilty of a misdemeanor and, upon conviction thereof, shall be fined not more than ten thousand dollars or be imprisoned for not more than two years, or both.

(5) Nothing contained in this Section shall be construed to prevent such persons from disclosing a return of a taxpayer or the records of the secretary as authorized by law in any judicial proceeding in which the state or any political subdivision thereof is a party.

**350. Application for licenses**

A. Every person subject to a license tax levied by this chapter shall apply to the collector for a license before the same becomes delinquent, as provided in this Chapter. The application shall state all facts necessary to determine the amount of taxes due under this Chapter.

B. If the collector is not satisfied with the facts set forth in the application or for any reason desires to audit the books and records of the taxpayer, the collector or any of his authorized assistants may audit and inspect all records of the taxpayer that would have any bearing upon the amount of taxes due under this Chapter.

C. If an individual is an applicant for a license required by this Chapter, the applications must be signed by him; if a partnership or an association of persons, by a member of the firm; and if a corporation, by the proper officer thereof.

D. Any intentional false statement as to any material facts in the application for a license under this Chapter shall constitute a misdemeanor, and any person convicted thereof shall be fined not more than two hundred dollars or imprisoned for not more than six months, or both.

**351. Failure to pay tax; judgment prohibiting further pursuit of business**

Failure to pay the tax levied by this Chapter shall ipso facto, without demand or putting in default, cause the tax, interest, penalties, and costs to become immediately delinquent, and the collector is hereby vested with authority, on motion in a court of competent jurisdiction, to take a rule on the delinquent taxpayer to show cause in not less than two or more than ten days, exclusive of holidays, why the delinquent taxpayer should not be ordered to pay the total amount due and owing under this Chapter. This rule may be tried out

of term and in chambers and shall always be tried by preference. If the rule is made absolute, the order therein rendered shall be considered a judgment in favor of the municipality or parish.

**352. Collector authorized to make rules and regulations**

A. The collector shall make and enforce all rules and regulations necessary for the proper, complete, and equitable collection of the tax levied by this Chapter. He may adopt different rules and regulations and forms for different classes or kinds of businesses, uniform as to each class, if by so doing the collection of the full amount of taxes due under this Chapter may be simplified and made more certain.

B. The collector may make and publish reasonable rules and regulations, not inconsistent with law, for the enforcement of the provisions of this Chapter and collection of the revenue hereunder.

**353. Records to be kept by collector**

The collector shall keep an accurate record showing the names of every person paying taxes under this Chapter, together with the business pursued, the amount of the license, and the date of the collection and the payment thereof.

**354. Retail dealers in merchandise, services, and rentals**

A. For every fixed location retail dealer in merchandise, services and rentals, including but not limited all businesses enumerated in this section, the license shall be based on the total business activity and shall be based on the table below:

If the Gross Sales are:

| As Much As | But Less Than | The Annual License Shall Be: |
|---|---|---|
| $ 0 | $ 50,000 | $ 50 |
| 50,000 | 75,000 | 60 |
| 75,000 | 100,000 | 90 |
| 100,000 | 150,000 | 120 |
| 150,000 | 200,000 | 180 |
| 200,000 | 250,000 | 250 |
| 250,000 | 300,000 | 300 |
| 300,000 | 400,000 | 360 |
| 400,000 | 500,000 | 500 |
| 500,000 | 600,000 | 650 |
| 600,000 | 750,000 | 800 |
| 750,000 | 1,000,000 | 900 |
| 1,000,000 | 1,500,000 | 1,200 |
| 1,500,000 | 2,000,000 | 1,800 |
| 2,000,000 | 2,500,000 | 2,400 |
| 2,500,000 | 3,000,000 | 3,000 |
| 3,000,000 | 3,500,000 | 3,600 |
| 3,500,000 | 4,000,000 | 4,200 |
| 4,000,000 | 4,500,000 | 4,800 |
| 4,500,000 | 5,000,000 | 5,400 |
| 5,000,000 | 5,500,000 | 6,000 |
| 5,500,000 | . . . . . | 6,200 |

B. This schedule includes, but is not limited to, the following businesses:

(1) Abstractors;
(2) Advertising agencies;

(3) Ambulance services;
(4) Amusement parks;
(5) Appraisers;
(6) Barbershops;
(7) Beauty salons;
(8) Boats or barge carriers of freight or passengers;
(9) Bonding companies, surety companies or bondsmen;
(10) Business, professional or instructional schools;
(11) Cable television businesses;
(12) Carpet and rug cleaning businesses;
(13) Cold storage plants or refrigerated lockers;
(14) Collecting agencies;
(15) Commercial reporting or rating agencies;
(16) Credit bureaus;
(17) Decorators;
(18) Detective agencies;
(19) Elevator repair, service and maintenance businesses;
(20) Employment agencies;
(21) Engravers;
(22) Ferry boats;
(23) Flea market participants;
(24) Health or recreational clubs;
(25) Hospitals;
(26) Insurance adjusters;
(27) Jewelers;
(28) Businesses engaged in leasing, renting or licensing the use of movable property;
(29) Medical transportation services;
(30) Miniature golf links;
(31) Motor vehicle carriers of freight or passengers;
(32) Motor vehicle rentals;
(33) Motor vehicle repair and repainting shops;
(34) Motor vehicle storage businesses;
(35) Operators of coin vending and weighing machines;
(36) Operation of office buildings;
(37) Packing houses for meats and fish;
(38) Parking lots;
(39) Photographers;
(40) Railroad carriers of freight or passengers;
(41) Repair businesses;
(42) Restaurants, coffee houses, or other eating establishments;
(43) Retail dealers in boats;
(44) Retail dealers in merchandise;
(45) Retail dealers in motor vehicles;
(46) Service businesses;
(47) Sign painting;
(48) Skating rinks;
(49) Steam cleaning, steam dyeing or steam pressing businesses;
(50) Steam or electric laundering businesses;
(51) Storage businesses;
(52) Storage rooms or landings;
(53) Taxicab service;
(54) Theatres;
(55) Tourist camps;
(56) Towboat or tugboat businesses;
(57) Trackless trolleys or buses;
(58) Transportation businesses;
(59) Travel agencies;

(60) Trucking businesses;
(61) Undertakers and funeral directors;
(62) Warehouses;
(63) Washaterias or laundromats;
(64) Watchman agencies;
(65) Wholesale and retail dealers in mobile home sales, rentals, and mobile home repairs;
(66) Wreckers and tow truck services.

C. For every dealer in merchandise, services, and rentals not otherwise provided for by this Chapter or by special laws, whether conducted as a principal, agent or commission, or otherwise, the license tax shall be based on the amount of gross sales and receipts, at the rate set above. After a business has operated for at least one full calendar year, if the annual gross sales and receipts for the previous year are less than two thousand five hundred dollars, no license tax shall be due under this Section for the current year.

D. (1) For every pawnbroker, or person keeping a loan office and engaged in lending money on articles pawned or pledged and for each and every money broker, money lender, or person lending money on, or purchasing time, wages, or salaries of laborers, clerks, or other wage earners or other persons, whether the same be earned or unearned, and whether the business is conducted in an office or otherwise, the license tax shall be based on the amount of gross sales and receipts from any retail sales plus the amount of loans made by the business. However, the minimum license tax paid by pawnbrokers licensed under the provisions of this Subsection shall be three hundred dollars.

(2) The "amount of loans made", for the purposes of this Subsection, shall mean the total of all amounts of funds or goods advanced to borrowers and the amounts paid for notes or other similar evidences of indebtedness purchased or otherwise acquired from others.

(3) In the case of a new business, the basis for the first year's license shall be provided for in R.S. 47:344 and 348 of this Chapter, except that the "amount of the loans made" shall be substituted for "gross revenue".

(4) Notwithstanding the provisions of Subsection B, the maximum license tax paid by dealers in mobile home sales, rentals, or mobile home repairs licensed under the provisions of this Section shall be eight hundred dollars.

**354.1. Retail dealers in gasoline and motor fuel**

For every fixed location retail dealer in gasoline or other motor fuel, the tax shall be computed based on the amount of gallons of gasoline or motor fuel sold using the following table and the amount of gross sales of merchandise, services, and rentals using the table in R.S. 47:354-Retail dealers in merchandise, services, and rentals. The maximum sum of the tax using the two tables shall not exceed $6,200.

If the Gallons Sold are:

| As Much As | But Less Than | The Annual License Shall Be: |
|---|---|---|
| 0 | 55,000 | $ 50 |
| 55,000 | 85,000 | 60 |
| 85,000 | 110,000 | 90 |
| 110,000 | 165,000 | 120 |
| 165,000 | 225,000 | 180 |
| 225,000 | 275,000 | 250 |
| 275,000 | 325,000 | 300 |
| 325,000 | 450,000 | 360 |
| 450,000 | 550,000 | 500 |
| 550,000 | 650,000 | 650 |

| | | |
|---|---|---|
| 650,000 | 825,000 | 800 |
| 825,000 | 1,000,000 | 900 |
| 1,000,000 | 1,500,000 | 1,200 |
| 1,500,000 | 2,000,000 | 1,800 |
| 2,000,000 | 2,500,000 | 2,400 |
| 2,500,000 | 3,000,000 | 3,000 |
| 3,000,000 | 3,500,000 | 3,600 |
| 3,500,000 | 4,000,000 | 4,200 |
| 4,000,000 | 4,500,000 | 4,800 |
| 4,500,000 | 5,000,000 | 5,400 |
| 5,000,000 | 5,500,000 | 6,000 |
| 5,500,000 | ..... | 6,200 |

**355. Wholesale dealers in merchandise, service and rentals; retail dealers to institutional consumers; shipbuilders; and contractors.**

A. For every fixed location wholesale dealer in merchandise, service and rentals, retail dealers to institutional consumers, shipbuilders, and contractors, including but not limited to all businesses enumerated in this section, the license shall be based on the total business activity and the amount of said license shall be as shown in the following table:

If the Gross Sales are:

| As Much As | But Less Than | The Annual License Shall Be: |
|---|---|---|
| $ 0 | $ 100,000 | $ 50 |
| 100,000 | 150,000 | 75 |
| 150,000 | 250,000 | 100 |
| 250,000 | 500,000 | 150 |
| 500,000 | 600,000 | 200 |
| 600,000 | 800,000 | 250 |
| 800,000 | 1,000,000 | 300 |
| 1,000,000 | 1,500,000 | 400 |
| 1,500,000 | 2,000,000 | 500 |
| 2,000,000 | 2,500,000 | 700 |
| 2,500,000 | 3,000,000 | 900 |
| 3,000,000 | 4,000,000 | 1,000 |
| 4,000,000 | 5,000,000 | 1,250 |
| 5,000,000 | 5,500,000 | 1,800 |
| 5,500,000 | 6,000,000 | 2,400 |
| 6,000,000 | 6,500,000 | 3,000 |
| 6,500,000 | 7,000,000 | 3,600 |
| 7,000,000 | 7,500,000 | 4,200 |
| 7,500,000 | 8,000,000 | 4,800 |
| 8,000,000 | 9,000,000 | 5,200 |
| 9,000,000 | 10,000,000 | 5,600 |
| 10,000,000 | 11,000,000 | 6,000 |
| 11,000,000 | 12,000,000 | 6,400 |
| 12,000,000 | 13,000,000 | 6,800 |
| 13,000,000 | 14,000,000 | 7,200 |
| 14,000,000 | ..... | 7,500 |

B. This schedule includes, but is not limited to, the following businesses:

Wholesale dealers in merchandise, service, and/or rentals;
retail or wholesale dealers in building materials;
retail dealers to farmers or institutions;
shipbuilders;
contractors, both lump sum and cost plus;
and business engaged in renting, leasing, or licensing immovable property.

The maximum license tax paid by a retail dealer of building materials shall not exceed six thousand, two hundred dollars. After a business has operated for at least one full calendar year, if the annual gross sales and receipts for the previous year are less than two thousand five hundred dollars, no license tax shall be due under this Section for the current year.

**356. Business of lending or of dealing in notes secured by chattel mortgages or other liens.**

A. For every person, firm, corporation, or association or persons engaged in the business of purchasing, selling, trading in, or lending on unsecured notes or on notes secured by chattel mortgages, or other statutory liens, being commonly known as finance or securities companies, a license based on the amount of loans made by the business shall be required. The license shall be based on the amount of loans made by the business and the amount of said license shall be as shown in the following table:

If the Amount of the Loan Made is:

| As Much As | But Less Than | The Annual License Shall Be: |
|---|---|---|
| $ 0 | $ 250,000 | $ 50 |
| 250,000 | 500,000 | 100 |
| 500,000 | 750,000 | 150 |
| 750,000 | 1,000,000 | 200 |
| 1,000,000 | 1,250,000 | 250 |
| 1,250,000 | 1,500,000 | 300 |
| 1,500,000 | 1,750,000 | 350 |
| 1,750,000 | 2,000,000 | 400 |
| 2,000,000 | 2,250,000 | 450 |
| 2,250,000 | 2,500,000 | 500 |
| 2,500,000 | 3,000,000 | 550 |
| 3,000,000 | 3,500,000 | 600 |
| 3,500,000 | 4,000,000 | 650 |
| 4,000,000 | 4,500,000 | 700 |
| 4,500,000 | 5,000,000 | 750 |
| 5,000,000 | 5,500,000 | 800 |
| 5,500,000 | 6,000,000 | 850 |
| 6,000,000 | 6,500,000 | 900 |
| 6,500,000 | 7,000,000 | 950 |
| 7,000,000 | 7,500,000 | 1,000 |
| 7,500,000 | 8,000,000 | 1,050 |
| 8,000,000 | 8,500,000 | 1,100 |
| 8,500,000 | 9,000,000 | 1,150 |
| 9,000,000 | 9,500,000 | 1,200 |
| 9,500,000 | 10,000,000 | 1,250 |
| 10,000,000 | 11,000,000 | 1,350 |
| 11,000,000 | 12,000,000 | 1,450 |
| 12,000,000 | 13,000,000 | 1,550 |
| 13,000,000 | 14,000,000 | 1,650 |
| 14,000,000 | 15,000,000 | 1,750 |

| | | |
|---|---|---|
| 15,000,000 | 16,000,000 | 1,850 |
| 16,000,000 | 17,000,000 | 1,950 |
| 17,000,000 | 18,000,000 | 2,050 |
| 18,000,000 | 19,000,000 | 2,150 |
| 19,000,000 | 20,000,000 | 2,250 |
| 20,000,000 | 25,000,000 | 2,500 |
| 25,000,000 | 30,000,000 | 3,000 |
| 30,000,000 | 35,000,000 | 3,500 |
| 35,000,000 | ..... | 3,700 |

B. The "amount of loans made," for the purposes of this Section, shall mean the total of all amounts of funds or goods advanced to borrowers and the amounts paid for notes or other similar evidences of indebtedness purchased or otherwise acquired from others.

C. In the case of a new business, the basis for the first year's license shall be provided for in R.S. 47:344 and R.S. 47:348 of this Chapter, except that the "amount of the loans made" shall be substituted for "gross revenue."

**357. Brokerage and Commission Agents.**

A. For every factorage, commission, or brokerage business; dealers in stocks or bonds as principal; stocks, bonds or cotton factors, commission or brokerage businesses, whether or not the principal or party solicited is within or without the state, including but not limited to all businesses enumerated in this section, the license shall be based on gross annual commissions and brokerages earned on sales and purchases. The amount of the license shall be as shown in the table below and shall be subject to applicable deductions.

If the Gross Annual Commissions and Brokerages are:

| As Much As | But Less Than | The Annual License Shall Be: |
|---|---|---|
| $ 0 | $ 15,000 | $ 50 |
| 15,000 | 20,000 | 70 |
| 20,000 | 25,000 | 90 |
| 25,000 | 30,000 | 112 |
| 30,000 | 40,000 | 137 |
| 40,000 | 50,000 | 180 |
| 50,000 | 65,000 | 225 |
| 65,000 | 80,000 | 300 |
| 80,000 | 100,000 | 360 |
| 100,000 | 125,000 | 450 |
| 125,000 | 150,000 | 600 |
| 150,000 | 175,000 | 675 |
| 175,000 | 200,000 | 750 |
| 200,000 | 250,000 | 900 |
| 250,000 | 300,000 | 1,050 |
| 300,000 | 350,000 | 1,200 |
| 350,000 | 400,000 | 1,400 |
| 400,000 | 450,000 | 1,600 |
| 450,000 | 500,000 | 1,800 |
| 500,000 | 550,000 | 2,000 |
| 550,000 | 600,000 | 2,200 |
| 600,000 | 650,000 | 2,400 |
| 650,000 | 700,000 | 2,600 |
| 700,000 | 750,000 | 2,800 |
| 750,000 | 800,000 | 3,000 |

| | | |
|---|---|---|
| 800,000 | 850,000 | 3,200 |
| 850,000 | 900,000 | 3,400 |
| 900,000 | 950,000 | 3,600 |
| 950,000 | ..... | 3,700 |

B. This schedule includes, but is not limited to:

(1) Brokerages in money, produce, or sugar;
(2) Cotton compress businesses;
(3) Cotton factor and commission businesses;
(4) Cotton future brokerages;
(5) Cotton pickeries;
(6) Distillers of alcohol;
(7) Grain and product commission houses;
(8) Businesses engaged in leasing, renting, or licensing the use of immovable property;
(9) Livestock auctions;
(10) Manufacturer's agents;
(11) Operators of office buildings;
(12) Owners or lessees of toll bridges or ferries;
(13) Real estate brokers;
(14) Slaughter houses;
(15) Steamboat or steamship agencies;
(16) Stock or bonds brokerages;
(17) Sugar factories.[1]

C. For carrying on each business of dealing in or buying and selling stocks or bonds, as principal, the license shall be based on gross annual profits; however, where no gross annual profit is realized, the minimum tax under the above schedule shall be paid.

**358. Public utilities.**

A. For carrying on each business of gas light, heat, or power, electric light, heat, or power; waterworks, and for each telephone, telegraph, or express business, the license shall be based on gross annual revenue from all business activities as shown in the following table:

If the Gross Annual Receipts are:

| As Much As | But Less Than | The Annual License Shall Be: |
|---|---|---|
| $ 0 | $ 20,000 | $ 50 |
| 20,000 | 25,000 | 60 |
| 25,000 | 37,500 | 75 |
| 37,500 | 50,000 | 115 |
| 50,000 | 75,000 | 150 |
| 75,000 | 100,000 | 200 |
| 100,000 | 150,000 | 300 |
| 150,000 | 200,000 | 450 |
| 200,000 | 250,000 | 650 |
| 250,000 | 500,000 | 750 |
| 500,000 | 750,000 | 1,500 |
| 750,000 | 1,000,000 | 2,250 |

[1] Sugar factories, as manufacturers, are exempt from occupational license tax. The former term "sugar factors", was changed to "sugar factories" by Act 752 of 1988.

| | | |
|---|---|---|
| 1,000,000 | 1,250,000 | 3,000 |
| 1,250,000 | 1,500,000 | 3,750 |
| 1,500,000 | 1,750,000 | 4,500 |
| 1,750,000 | 2,000,000 | 5,250 |
| 2,000,000 | 2,250,000 | 6,000 |
| 2,250,000 | 2,500,000 | 6,900 |
| 2,500,000 | . . . . . | 7,500 |

B. A person engaged in the business of selling electricity or gas in more than one municipality shall be deemed to have a place of business or business location in each such municipality and a license tax imposed by any municipality on such person shall be based on gross annual revenue derived by such person from the territorial jurisdiction of the taxing municipality only.

C. A person engaged in the business of providing local exchange telephone service in more than one municipality or parish shall be deemed to have but one place of business or business location in each such municipality or parish and a license tax imposed by any municipality or parish on such person shall be based on gross annual revenue derived by such person from the territorial jurisdiction of the taxing municipality or parish only.

**359. Businesses where licenses are based on flat fees**

The following types of businesses shall obtain an annual license based on the flat fee designated hereafter. For purposes of this Section, the minimum tax noted in R. S. 47:344 for most new businesses for the first year of commencement or fractional part thereof does not apply.

**A. Private banking or investment banking business.**

(1) For each business of carrying on a private banking house, business or agency, investment banking house, business or agency, a license based on a flat fee of five hundred dollars shall be required.

(2) The term "investment banking" means a business that is carried on through the purchase or underwriting of security issues and their subsequent sale to investors.

**B. Repealed by Acts 1988, No. 752, Section 2, effective January 1, 1989.**

**C. Peddlers and itinerant vendors.**

(1) All peddlers, hawkers, itinerant vendors, and every person who displays samples, models, goods, wares, or merchandise on a temporary basis in any hotel, motel, store, storehouse, house, vehicle, or any other place, for the purpose of securing orders for the retail sale of such goods, wares, or the like kind or quality, either for immediate or future delivery shall obtain a license based on a fee not to exceed two hundred dollars provided that an itinerant vendor of agricultural products purchased directly from farmers or an itinerant vendor of seafood products who has either harvested the seafood himself or has purchased the seafood directly from commercial fishermen or shrimpers shall obtain a license based on a flat fee not to exceed one hundred dollars.

(2) This Section does not apply to the following classes: those persons making house to house or personal calls displaying samples and taking orders for shipment directly from the manufacturer; those persons making a business call or visit upon the verbal or written invitation of the inhabitant of the premises; those persons, or their representatives, engaged in the business of selling at wholesale, from a fixed place of business in this state, to licensed retail dealers; and vendors, or their agents or representatives, in the sale or delivery of petroleum products when drawn, conveyed, and distributed from a stock maintained at a warehouse, distributing station, or established place of business.

(3) Parochial and municipal officers shall require all peddlers to exhibit their occupational license. The license shall indicate thereon the motor vehicle license number. They shall seize the merchandise and any vehicle or other conveyance used by the peddler to peddle the same, if the peddler fails or refuses to

exhibit his license. All property seized shall be turned over to a court of competent jurisdiction, to be sold according to law, to satisfy the license due and enforce the privilege therefor. The rights of the holder of a chattel mortgage note or any vehicle seized shall not be affected or prejudiced as a result of the seizure.

(4) Whoever shall sell goods, wares, and merchandise as a peddler without first obtaining the license herein required shall be guilty of a misdemeanor and upon conviction shall be fined not less that five hundred dollars or shall be imprisoned not more than sixty days, or both.

**D. Mechanical or electronic amusement machines or devices.**

(1) Every person engaged in the business of operating any coin-operated mechanical or electronic amusement device or who permits to be operated in his place of business any coin operated mechanical or elctronic device to which a certificate of tax payment is not affixed or displayed as provided in R.S. 47:359(E) shall pay a license tax which shall not exceed twenty dollars for each such machine or device, except that the license tax for each electronic pinball machine, flipper machine, or video game shall not exceed fifty dollars for each such device. Only one license tax shall be collected annually by each jurisdiction for any device required to be licensed under this Paragraph

.

(2) The provisions of this Subsection shall not apply in cases where the person engaged in the business of operating such mechanical devices are operating same under a written contract with and are solely sponsored by a nonprofit corporation for the purpose of conducting a fair, festival or trade show which has as one of its objectives the promotion of agricultural and agri-industrial products. For the purposes of this subsection the term nonprofit corporation shall be construed to mean only a nonprofit corporation which:

(a) Was organized under the provisions of Chapter 2 of Title 12 of the Louisiana Revised Statutes of 1950 prior to January 1, 1969; and,

(b) Holds membership in good standing in an association organized for the purpose of promoting fairs, festivals and trade shows in the State of Louisiana.

(3) For the purpose of this subsection a "coin-operated mechanical amusement device" is any machine or device operated by depositing a coin, token, slug, or similar object for the placing of the device in readiness to play. This definition includes, but is not limited to, the following devices: video games, merry-go-rounds, mechanical hobby horses, juke boxes, pool tables, domino tables, bowling alleys, blood pressure monitors, and pulse rate monitors.

(4) All such mechanical amusement devices subject to tax under this Subsection and which do not return to the operator or player thereof anything but free additional games or plays or, through the exercise of the skill of the operator or player, a merchandise prize, shall not be deemed to be classed as gambling devices, and neither this Section nor any other Act shall be construed to prohibit same. Payment of the tax imposed by this Subsection shall not be held to legalize the operation of any machine or device defined herein which is prohibited by law. This subsection shall not be held to repeal any provisions of any law prohibiting the operation, possession, or use of any such machine or device.

**E. Evidence of payment.**

The payment of the taxes levied by this Section shall be evidenced by a certificate of tax payment, or a stamp, or similar evidence of tax payment which shall be issued by the collector. The certificate of payment shall be securely affixed or attached to each machine or other device with respect to which a tax has been paid, or if such certificate cannot be affixed, shall be prominently posted in the place in which the machine or device is located and near to such machine or device. If a machine or device is replaced by another, such other machine or device shall not be considered an additional device service. Certificates of tax payment or stamps are not transferable from one taxing jurisdiction to another.

**F. Enforcement.**

The penalties and procedures of this Chapter relating to the enforcement and collection of the taxes levied under the authority of this Chapter shall apply to any person who has in his possession, control, or custody any machine or device on which the license tax is imposed by this Section and which is being operated without having a certificate of payment issued by the collector, as provided in subsection E of this

Section, affixed or attached thereto, or prominently posted in the place in which the machine or device is located and near to such machine or device. However, the penalties and proceudres provided by Chapter shall not apply to lessees of such machines or devices, provided that the lessee can furnish the collector with adequate information regarding the name, address, and business location of the lessor, against whom the penalties and procedures of this Chapter shall apply.

**G. Professional sports.**

For each person owning or carrying on a business known as "professional sports" a license based on a flat fee of one thousand dollars shall be required. By way of extension and not of limitation, the business of "professional sports" shall include football, basketball, and baseball games, where the individual participants are paid for their services. Sporting events that are provided for by special laws are exempt under this Section.

**H. Circuses, concerts, carnivals and special events.**

For each person operating a circus, carnival, or other traveling show, and for each person or organization sponsoring a concert or other special event, including but not limited to gun shows, arts and crafts fairs, and antique shows, a license based on a flat fee of two hundred fifty dollars shall be required. This license shall be issued by the parish or municipality in which the event is located and shall be good for a period of ten days. Should the person or organization move the circus, concert, or other event to another jurisdiction in the state, a new license shall be required by that jurisdiction.

**I. Hotels, motels, rooming houses, boarding houses, and nursing homes.**

Any person operating a hotel, motel, rooming house, boarding house, or nursing home shall pay an annual license tax of two dollars for each sleeping room contained in it; provided that any person operating a nursing home shall pay, in lieu of the additional license tax required of hotels in R.S. 47:346, a license tax in accordance with the provision of R.S. 47:354 based on one-third of the total gross receipts of the nursing home.

**J. All other businesses**

For all businesses not otherwise covered by or specifically exempted under this Chapter, including but not limited to, printers, lithographers, attorneys-at-law, accountants, oculists, physicians, osteopaths, dentists, chiropodists, bacteriologists, veternarians, chemists, architects, and civil, mechanical, chemical or electrical engineers engaged in the practice of their profession as an individual, or as a firm, partnership, or corporation, the license shall be one-tenth of one percent of the annual gross receipts for professional fees for services rendered by the taxpayer, with a minimum tax of fifty dollars and a maximum tax of two thousand dollars. The tax levied herein shall be levied only on the business and not separately on any individual who is employed by or is a member of the taxpayer which conducts its business as a firm, partnership, or corporation.

**K. Pharmacy**

For each business licensed by the Louisiana State Board of Pharmacy as a pharmacy and eighty percent of gross revenues of the business comes from the filling of prescription drugs, the license shall be one-tenth of one percent of the gross annual sales of the total business activity, with a minimum tax of fifty dollars and a maximum tax of two thousand dollars. The tax levied herein shall be levied only on the business and not separately on any individual who is employed by or is a member of the taxpayer which conducts its business as a firm, partnership, or corporation.

## 360. Exemptions

### A. Blind persons and their widows or orphans.

License taxes levied by this Chapter shall not apply to blind persons, who are exempted from license taxes by R. S. 46:371 through 46:373. The exemption provided by this Subpart shall apply only where the business is conducted by any blind person exclusively for his own support or the support of his family.

### B. Artists and craftsmen.

Any occupational license tax imposed on retail dealers not having a fixed place of business shall not apply to Louisiana artists and craftsmen who display their own original art and handicraft for sale at functions sponsored by nonprofit organizations.

### C. Nonprofit organizations.

(1) The occupational license tax required by this Chapter shall not apply to those qualified nonprofit organizations which are exempt from the collection of sales and use taxes under the provisions of R. S. 47:305.14 or from the payment of federal income taxes under the applicable provisions of the Internal Revenue Code.

(2) This subsection shall not be construed to exempt museums, menageries, circuses or other traveling shows from the license required by R.S. 47:359(H) unless all of the proceeds from such shows are used for charitable, educational or religious purposes of the sponsoring qualified nonprofit organizations. It is the intention of this Subsection to exempt such traveling shows where its entire proceeds, except for necessary expenses connected therewith, are used for the charitable, educational, and religious purposes of the sponsoring qualified nonprofit organization.

### D. Wholesale dealers in certain alcoholic beverages.

There shall be no license tax imposed, assessed, or collected under the provisions of this Chapter on any person engaged in the business of selling at wholesale, malt, vinous, spirituous, alcoholic or intoxicating liquor containing more than six per centum of alcohol by volume, and beer, porter, ale, fruit juices and wine containing more than one-half per centum of alcohol by volume.

### E. Other exempted businesses.

Banks, homestead and building and loan associations, editors, over-the-air broadcasters, as defined by the Federal Communications Commission, publishers, clerks, laborers, ministers of religion, school teachers, graduated trained nurses, those engaged in agricultural or horticultural pursuits, those operating sawmills, and corporations organized and operated for the purpose of lending money to farmers for production purposes, the stock of which is owned by farmer members and employees of such corporations, shall be exempted from any provisions of this Chapter.

### F. Manufacturers.

Manufacturers shall be exempted from any provisions of this Chapter; however, manufacturers who sell their manufactured articles at retail shall be subject to the payment of a license tax on such retail sales as fixed by this Chapter.

### G. Disable Persons.

There shall be no license tax imposed, assessed, or collected under the provisions of this Chapter on any person who is disabled to the extent that he is home-bound, confined to a bed or wheelchair, requires the aid and attendance of another person, and is unable to enter the normal work force.

**361. Deductions.**

**A. Petroleum taxes:**

In calculating the gross sales at bulk or distributing plants engaged in the storage and sale of petroleum products, the taxpayer shall exclude therefrom that part of the purchase price paid by him for gasoline and motor fuels or lubricating oils as shall equal the manufacturer's or dealers' license, privilege, or excise tax levied by federal or state statutes on the manufacturing, handling, storing, selling, or consuming of gasoline, motor fuels, or lubricating oils.

**B. Undertaking and funeral directing:**

The term "gross annual receipts," as used in this Chapter, shall cover all of the receipts of the person carrying on the business of undertaking and funeral directing, except that deduction shall be allowed for collections made by one undertaker and funeral director for the account of another undertaker and funeral director, as shown by the books of both parties at interest.

**C. Stocks and bonds, interstate sales:**

In determining the amount of gross annual commissions and brokerage to be subject to the tax, each commission business operating on exchanges located outside the state of Louisiana shall deduct therefrom forty percent in the case of purchases and sales of stocks and bonds consummated on exchanges located outside the state of Louisiana and fifty-five percent of purchases and sales of commodities consummated on exchanges located outside the state of Louisiana.

**D. Retail or wholesale sales of motor vehicles and boats:**

In determining the amount of gross sales and receipts to be subject to the tax for retail or wholesale dealers in motor vehicles, automobiles, motor trucks, motor buses, motorcycles, motor bicycles, motor scooters, motor tractors, motor propelled road machinery farm implements, and equipment designed for use with tractors and other motor propelled equipment, trailers, semitrailers, aircraft, or other motor propelled land vehicles, and pleasure or commercial boats, the license shall be computed on the total gross sales from all sales, including but not limited to sales of parts and accessories, receipts from repair shops and sales and rental of motor vehicles, however, the gross sales and receipts from the sale of the above listed dealers shall not exceed seven hundred thousand dollars.

**362. Special provisions.**

A. No municipality or parish shall levy a license tax upon any person engaged in the business of contractor, as defined in this Chapter, either upon a cost-plus basis or upon other than a cost-plus basis, except the governing authority of the municipality or parish in which is located the principal place of business of such contractor within the state, as designated by the contractor. The maximum license tax paid by contractors licensed as required by this Subsection shall not exceed seven hundred fifty dollars.

B. The tax shall be computed on the basis of the schedules contained in this Chapter according to the physical location of each place of business without regard to the location where the actual sale takes place or where a product or service is delivered or performed.

C. For lessors with a place of business in this state, the tax shall be computed on the basis of the schedules contained in this Chapter according to the physical location of such business without regard to the location where the leased property is situated within this state.

D. A person engaged in the business of operating a railroad for the transportation of freight or passengers shall be deemed to be carrying on but one business, and to have only one place of business which shall be the place where the general office within the state as designated by such person is located.

E. Nothing in this Chapter is intended to levy a tax on those receipts subject to the tax under the provisions of R.S. 22:833.

F. Under the provisions of this Act, no occupational license tax totaling more than fifty dollars levied against a small business will increase more than twenty-five percent in the first year over the occupational license tax it paid under the schedules or classifications used in 1985. Small business shall be defined as any person who employs fifteen full-time persons or less per business establishment and which has two million dollars or less in gross annual sales or receipts. Any person not paying an occupational license tax in 1985 shall pay according to the appropriate schedule or classification in this Act.

**363. Exemptions and Deductions; Governmental Subdivisions**

In imposing the tax set forth in this Chapter, any municipality or parish may grant such exemptions or deductions as it deems necessary.

**Effective Dates**

Section 3. This Act shall become effective on January 1, 1987, and shall apply to taxable years beginning after December 31, 1987.

Section 4. Except as otherwise provided herein, any tax levied under the provisions of this Act shall be levied by an ordinance adopted by a two-thirds vote of the members of the local governing authority prior to July 1, 1987. Any occupational license tax levied by a municipality or parish prior to the effective date of this Act is hereby ratified and shall remain in effect until January 1, 1988. Any occupational license tax levied after July 1, 1987, shall become effective six months after the date of adoption of the ordinance levying such tax.