

Sales/Use/Indirect:

Louisiana DOR Summarizes New Law Defining and Taxing Certain Digital Products with Some Exemptions

2024 Third Extraordinary Session Legislative Summaries, La. Dept. of Rev. (12/16/24). The Louisiana Department of Revenue (Department) posted a summary of recently enacted legislation, including a bill (H.B. 8) that:

URL: <https://revenue.louisiana.gov/Miscellaneous/2024%20Tax%20Reform%20Legislative%20Summaries.pdf>

1. Adds a list of items – such as digital audiovisual works, digital audio works, digital books, digital codes, and digital applications and games – as includable in Louisiana’s sales and use tax base as defined “digital products,” and
2. Provides for some tax exemptions on digital products used for certain purposes [see H.B. 8, signed by gov. 12/4/24, and previously issued Multistate Tax Alert for more details on this special session legislation].

URL: <https://legis.la.gov/legis/BillInfo.aspx?i=247851>

URL: <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/Tax/multistat-tax-alert-louisiana.pdf>

According to the Department, the legislation additionally provides that exclusions and exemptions applicable to tangible personal property also apply to digital products “so that all digital products have the same tax treatment as equivalent versions of tangible personal property.” Furthermore, this legislation “eliminates the definition of custom computer software and treats all software the same,” as Louisiana’s previous exemption for customer computer software “has been suspended or partly suspended since April 1, 2016.”

The Department also explains that pursuant to another recently signed bill (H.B. 10), two new taxable services are added:

1. Prewritten computer software access; and
2. Information services, which includes charges for furnishing of newsletters, tax guides, research publications, various reports, mailing lists, title abstracts, subscriptions to genealogical, financial, or similar databases, “GPS” systems and cable television services, direct-to-home satellite services, video programming services and satellite digital audio radio services.

Please contact us with any questions.

— Danny Fuentes (Houston)
Senior Manager
Deloitte Tax LLP
dafuentes@deloitte.com

Kristina Scoggins (Dallas)
Manager
Deloitte Tax LLP
krscoggins@deloitte.com

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms or their related entities (collectively, the “Deloitte organization”) is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser.

No representations, warranties or undertakings (express or implied) are given as to the accuracy or completeness of the information in this communication, and none of DTTL, its member firms, related entities, employees or agents shall be liable or responsible for any loss or damage whatsoever arising directly or indirectly in connection with any person relying on this communication. DTTL and each of its member firms, and their related entities, are legally separate and independent entities.

About Deloitte

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms, and their related entities (collectively, the “Deloitte organization”). DTTL (also referred to as “Deloitte Global”) and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see www.deloitte.com/about to learn more.

Deloitte provides industry-leading audit and assurance, tax and legal, consulting, financial advisory, and risk advisory services to nearly 90% of the Fortune Global 500® and thousands of private companies. Our professionals deliver measurable and lasting results that help reinforce public trust in capital markets, enable clients to transform and thrive, and lead the way toward a stronger economy, a more equitable society and a sustainable world. Building on its 175-plus year history, Deloitte spans more than 150 countries and territories. Learn how Deloitte’s approximately 415,000 people worldwide make an impact that matters at www.deloitte.com.