

Regular Session, 2014

HOUSE BILL NO. 429

BY REPRESENTATIVE BROADWATER

FEES/LICENSES/PERMITS: Authorizes the collection of a handling fee for the rental of heavy equipment

1 AN ACT

2 To enact R.S. 9:3317.1, relative to the authorization of a handling fee for heavy equipment  
3 rentals; to permit heavy equipment rental companies to include a handling fee in all  
4 rental agreements entered into in the state; to provide for definitions; and to provide  
5 for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 9:3317.1 is hereby enacted to read as follows:

8 §3317.1. Heavy equipment; handling fee

9 A.(1) Except as provided in Paragraph (2) of this Subsection, a person in the  
10 business of renting heavy equipment property located in this state may include in the  
11 rental agreement or invoice up to a two percent handling fee on the gross rental  
12 receipts from any item of heavy equipment rented by a customer. The inclusion of  
13 this fee in a rental agreement shall be clearly stated.

14 (2) The total amount of the handling fee shall be retained by the person in  
15 the business of renting heavy equipment for the purpose of paying personal property  
16 taxes levied by all taxing jurisdictions against the heavy equipment property.

17 B. The handling fee provided for in this Section shall not apply to the renting  
18 of heavy equipment to the state of Louisiana, a municipality, parish, or political  
19 subdivision of the state.

1           C. For purposes of this Section, "heavy equipment" includes all self-  
2           propelled, self-powered, trench-shoring, industrial, or towable equipment, including  
3           farm equipment, that is intended to be used for agricultural, construction, industrial,  
4           mining, or forestry uses. Heavy equipment property also includes equipment of an  
5           industry that is described under Industry Code 532412 of the 2002 North American  
6           Industry Classification System as published by the Bureau of the Census.

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#### DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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Broadwater

HB No. 429

**Abstract:** Authorizes a person in the business of renting heavy equipment property within the state to include in the rental agreement up to a two percent handling fee on the gross rental receipts from any item of heavy equipment rented by a customer.

Proposed law provides that a person in the business of renting heavy equipment property may include in the rental agreement up to a 2% handling fee on the gross rental receipts from any item of heavy equipment rented by a customer.

Proposed law provides that the inclusion of this fee in a rental agreement shall be clearly stated.

Proposed law provides that the total amount of the handling fee shall be retained by the person in the business of renting heavy equipment for the purpose of paying personal property taxes levied by all taxing jurisdictions against the heavy equipment property.

Proposed law provides that the handling fee provided for proposed law shall not apply to the renting of heavy equipment to the state of Louisiana, a municipality, parish, or political subdivision of the state.

Proposed law defines "heavy equipment" for purposes of proposed law to mean all self-propelled, self-powered, trench shoring, industrial, or towable equipment, including farm equipment, that is intended to be used for agricultural, construction, industrial, mining, or forestry uses and equipment of an industry that is described under Industry Code 532412 of the 2002 North American Industry Classification System as published by the Bureau of the Census.

(Adds R.S. 9:3317.1)