

Notes on Louisiana: Are there any exemptions for digital products?

Yes. The following digital products are exempt from taxation:

1. Digital products that are
 - a. purchased exclusively for commercial purposes,
 - b. used directly in the production of goods and services for sale to customers, and
 - c. the goods or services produced and sold are subject to sales and use tax or insurance premium tax.

(Note: This exemption also applies to qualifying software, prewritten computer software access services, and information services.)

2. Digital products (as well as prewritten computer software access services and information services) purchased and used by FDIC insured financial institutions (or their affiliates) for storing, transmitting, processing, or analyzing customer and account information, facilitating transactions, account processes, investment processes, lending processes, security and compliance.

3. Digital products used by licensed healthcare facilities and providers for storing or transmitting healthcare information or for the diagnosis or treatment of a medical condition. Also the same exclusions and exemptions that apply to tangible personal property apply to digital products, so that all digital products have the same tax treatment as equivalent versions of tangible personal property.

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