



DEPARTMENT OF CULTURE, RECREATION & TOURISM

A program of
Cultural Economy Initiative
Under the direction of the
Office of the Lt. Governor through the
Office of Cultural Development



Program Purpose:

To help local governments revitalize communities by creating locally driven hubs of cultural activity

- Build on cultural resources that play a vital role in cultural development of the district
- Engage in the promotion, preservation, and education aspects of the art and culture of the district

Benefits:

Increased occupancy, cultural activity, commerce, jobs, and sense of community identity



1. State Historic Tax Credits

2. Sales Tax Exemption:

Original, one-of-a-kind, works of visual art sold within the boundary of a cultural district are exempt from both state and local tax

NOTE: a partial, temporary suspension of the state sales passed in the 1st Special Session of 2016 is in effect from 4/1/16 through 6/30/18.

Local sales tax exemptions remain in place.



What qualifies as Original Art?

An item must meet all 5 of the following points:

1. Visual Art or Fine Craft
2. Original
3. One-of-a-kind
4. Conceived and made by hand of artist or under his direction, and
5. Not intended for mass production



Eligible Visual Arts and Crafts

- Include drawing, painting, sculpture, clay, ceramics, fiber, glass, leather, metal, paper, wood, or mixed media
- Limited numbered editions (up to 100) of hand-made prints such as lithograph, photography, silk screen, intaglio, etching



Examples of works that do not qualify for tax exemption

- Reproductions of original works such as prints, notecards, giclees
- Multiples of handcrafted items made from a pattern
- Hand strung manufactured beads
- Performing art
- Food products
- Music recordings
- Live plants, such as bonsai trees, floral arrangements, wreaths, and garlands



Certificate of Exemption

- Must be completed for each sale
- Seller retains a copy in case of audit
- Copies available for download at

www.crt.la.gov/cultural-development/arts/cultural-districts

R-1384 (6/08)

	Original Works of Art Sold in an Established Cultural Product District Sales Tax Exemption Certificate Revised Statute 47:305.57
	Taxpayer Services Division P.O. Box 201 Baton Rouge, LA 70821-0201 (225) 219-7356 (225) 231-6236 (Fax)

PLEASE PRINT OR TYPE.

Purchaser Name		
Address		
City	State	ZIP

Description of Art			
Title		Artist Name	
Media	Size	Color	Date Created (if known)
Sales Price		Date of Purchase (mm/dd/yyyy)	

The Seller hereby certifies that the above described item is an original one of a kind work of art that meets the definition established by the Louisiana Department of Culture, Recreation and Tourism. Its authenticity is attested to by the following authorized representative of the Seller.

Seller Name		
Seller Address		
City	State	ZIP
Cultural Product District Name		
Cultural Product District Parish		City

Authorized person completing the exemption certificate	
Name	Title
Signature X	Date (mm/dd/yyyy)

Original exemption certificate to be retained by seller; copy of exemption certificate to be retained by purchaser.



State and Local Tax Reports Required

Both state and local sales tax returns must be completed by the art seller and submitted as usual, even if tax due is \$0.

Sales Tax Return Forms & Instructions available online:
State Form R-1029- www.rev.state.la.us/sections/taxforms/
Local Forms by Parish- www.laota.com/



State Tax changes 4/1/16 - 6/30/18

April 1, 2016 – June 30, 2018: The 4% state tax exemption for original art sold in Cultural Districts is suspended. An additional 1% state sales tax goes into effect. The sale of original art is not exempt from this extra 1% state sales tax. Therefore, as of April 1, 2016 total state sales tax is 5%.

July 1, 2016 – June 30, 2018: 2% state sales tax exemption for original art goes into effect (instead of 4% exemption). There is no exemption from the new 1% state tax. Therefore, art sellers must change **3%** state sales tax on original art sold in Cultural Districts.

Local sales tax is not affected by Act 25 and Act 26 of the First Extraordinary Session of 2016. Therefore, the sales of original art from Cultural Districts continue to be exempt from local sales tax.

While the sale of art continues to be exempt from local sales taxes, the parish tax report must still be submitted with total art exemptions specified on lines 8-10, even if no tax is due.



Louisiana State Tax Return

R-1029 (7/16)

Enter your Louisiana Revenue Account Number:

Schedule A-3: Transactions Subject To 3% Tax

Description	Sales Tax Exemption	Total Sales
1 Original Art in Cultural District	5090	
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21 Add Lines 1 - 20; enter here and on Line 33 of Schedule A, under the Total Sales column.		

Use Schedule A-3 of LDR form R-1029 to report sales of original art. Use code **5090**.

For a copy of the most current form R-1029 www.rev.state.la.us/sections/taxforms/



WEB



Local Tax Return Instructions

- Enter gross sales on first line
- Indicate tax exempt sales on lines 8-10 of parish form
- Indicate the sale is “original art sold in (Name) Cultural District”
- Subtract and pay tax on balance, if any
- Retain Certificates of Exemption equal to the total exempt sales* in case of audit

* EBR, St Martin, and E Feliciana require copies of certificates be submitted with the parish tax return



Example of Parish Tax Return

ONLINE FILING: parishe-816.com
 SALES TAX INFO: www.laota.com

Address _____

 No Period Ended _____

This return DUE on the 1st day of month following period covered by the return and becomes DELINQUENT on 21st day.

PLEASE ENTER YOUR CHECK NUMBER _____
 DO NOT STAPLE CHECK TO FORM

1. Gross Sales of Tangible Personal Property, Leases, Rentals & Services Reportable to the State of Louisiana	\$
ALLOWABLE DEDUCTIONS	
2. Sales for Resale	
3. Cash Discounts, Sales Returns & Allowances	
4. Sales Delivered or Intended Used Outside This Jurisdiction	
5. Sales of Gasoline and Motor Fuels	
6. Sales to the U.S. Government and State of Louisiana	
OTHER DEDUCTIONS AUTHORIZED BY LAW (explain)	
7. _____	
8. _____	
9. _____	
10. _____	
11. Total allowable deductions (Line 2 thru 10)	
12. Adjusted gross sales (Line 1 minus 11)	

COMPLETE ONLY THOSE COLUMNS IN WHICH TAXABLE ACTIVITY OCCURS					
COMPUTATION OF SALES AND USE TAX	A	B	C	D	E
	Breaux Bridge, School Board & Law	Breaux Bridge Annex, School Board & Law	St. Martinville, School Board & Law	St. Martinville Annex, School Board & Law	Paris, School Board & Law
	3.50%	4.50%	4.50%	6.50%	3.50%
13. Adjusted Gross Sales in Each Jurisdiction (Totals of all columns equal LINE 12)					
14. Purchases Subject to Like Tax in Each Jurisdiction					
15. Total (Line 13 plus Line 14)					
16. TAX DUE - Multiply Line 15 by % shown (Each Column)					
17. Excess Tax Collected					
18. TOTAL (Line 16 plus Line 17)					
19. Vendor's Compensation (7.7% of Line 18) (deduct only when not delinquent)					
20. Net Tax Due (Line 18 minus Line 19)					
21. Penalty - 5% per month past due to a max of 25% (Multiply line 20 by applicable penalty rate)					
22. Interest - 1% per month from due date until paid (Multiply line 20 by applicable interest rate)					
23. Total Tax, Penalty & Interest Due					
24. Tax Debt or Credit (Authorized items must be attached)					
25. Total Amount Due (Line 23 plus or minus Line 24)					

PARISH TAX RATE 3.5% (EXCEPT FOR COLUMNS B, C, D, J & L)
COLUMN B - BREAUX BRIDGE ANNEXATION - (effective 1-1-2005) located by physical address - see reverse side of sheet for applicable addresses.
COLUMN D - ST. MARTINVILLE ANNEXATION - (effective 4-1-2005) located by physical address - see reverse side of sheet for applicable addresses.
COLUMN H - ST. MARTIN PARISH GOVT SALES TAX DISTRICT NO. 3 - (effective 4-1-1998) located by physical address - see reverse side of sheet for applicable addresses.
COLUMN I - ST. MARTIN PARISH GOVT SALES TAX DISTRICT NO. 1 - (effective 10-1-2003) all unincorporated areas of St. Martin Parish less and except Sales Tax District No. 3
COLUMN J - CITY OF ARNADEVILLE within ST. MARTIN PARISH located by physical address - see reverse side of sheet for applicable addresses.
COLUMN L - BREAUX BRIDGE COMMERCIAL DISTRICT - (effective 1-1-2009) located by physical address - see reverse side of sheet for applicable addresses.
WARNING DO NOT use any other Taxpayer's return as this will result in taxpayer credit. DO NOT ignore delinquent notices - Regressive penalties may be imposed.

COMPLETE ONLY THOSE COLUMNS IN WHICH TAXABLE ACTIVITY OCCURS					
COMPUTATION OF SALES AND USE TAX	F	G	H	I	L
	Henderson School Board & Law		DUPRETT, School Board & Law	Dupret 1, School Board & Law	Breaux Bridge Economic Development, School Board & Law
	3.50%		3.50%	3.50%	4.50%
13. Adjusted Gross Sales in Each Jurisdiction (Totals of all columns equal LINE 12)					
14. Purchases Subject to Like Tax in Each Jurisdiction					
15. Total (Line 13 plus Line 14)					
16. TAX DUE - Multiply Line 15 by % shown (Each Column)					
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24. Tax Debt or Credit (Authorized items must be attached)					
25. Total Amount Due (Line 23 plus or minus Line 24)					

I declare under the penalties for filing false reports that this return (including any accompanying schedules and statements) has been examined by me and to the best of my knowledge and belief is true, correct and complete return. If the return is prepared by a person other than the taxpayer, his declaration is based on all the information relating to the matters required to be reported in the return of which he has any knowledge.

Have you used the proper column? **NO. REMITTANCE ATTACHED (TOTALS A, B, C, D, E, F, H, I, J & L)** TOTAL REMITTANCE \$

Please indicate any changes: Date out of business or sold _____
 Name and address of new owner _____
 SALES TAX DEPARTMENT _____
 APPROVED BY _____



Frequently Asked Questions

Is there a distinction between art and craft for the Cultural District tax exemption?

Art and fine craft items that meet the definition above are both eligible for the sales tax exemption if sold within the bounds of a certified Cultural District.

What is "mass production"?

Mass production is defined as production of large numbers of standardized products. For the purposes of the definition of original art for the Cultural Districts program, items that can be reordered in quantity are considered mass produced. If an artist designs a work of art that he/she intends to duplicate through manufacturing, printing, or assembly by hand from a pattern, it is deemed to be "Intended for mass production" and is not eligible for tax exempt sale.

Are hand-made furniture and crafts eligible if they are made from a pattern?

Hand-made furniture and crafts made from a traditional, published or shared patterns are considered mass produced and are not eligible under the definition of original art adopted for the Cultural Districts program. Items made from the creator's original design and not reproduced in quantity may be eligible.

Are all editions of 100 or less eligible regardless of the media?

No, only limited editions of 100 or less if they are hand-made or created under the direction of the artist are eligible. Eligible media include lithographs, photography, silk screen, intaglios, etchings, and graphic design. Other printed reproductions of art work and posters are not eligible.

Are giclees enhanced by the artist eligible?

No, the print process used to create giclees is a mass production printing process which is excluded in the definition of original art adopted for the Cultural Districts program, even if hand embellishment is added.

Is handmade jewelry eligible?

Handmade beads and original designs qualify. Hand strung manufactured beads do not qualify unless the creative vision and original design of the piece qualifies it. If sold at an art market or festival that requires an artistic jury process (different than just an application process) it may qualify as the originality and artistic product has already been evaluated.



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Are all editions of 100 or less eligible regardless of the media?

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Does the tax-exempt sale of art apply to living artists only?

No. The law does not permit a distinction between art created by living or deceased artists. All art that meets the definition above is exempt from sales taxes.

What is wearable art?

Wearable art, also known as Artwear or "art to wear", refers to individually designed pieces of (usually) hand-made clothing or jewelry created as fine or expressive art. While the making of any article of clothing or other wearable object typically involves aesthetic considerations, the term wearable art implies that the work is intended to be accepted as a serious and unique artistic creation. Most handmade knitted, crocheted, smocked, and garments made from patterns are not considered wearable art.

Are antiques considered works of art eligible for tax exempt sale?

Generally antique furniture is home furnishing which falls under the category of decorative arts that are not considered works of visual art and are not eligible for tax exempt sale under this program. Decorative Arts are defined as ornamental and utilitarian works in media including but not limited to ceramic, wood, glass, metal, and textiles. Many decorative arts, although hand made, were considered a mass produced item. Others were fashioned from patterns or designed from pieces in a catalogue, in which case, the item cannot be considered original. However, if the provenance (the history of the ownership of an object, especially when documented or authenticated) can show that it is an original one-of-a-kind work of art, a piece may be eligible upon provision of documentation to and review by the Department of Culture, Recreation and Tourism for an Art Advisory Opinion, in advance of a sale, as provide in the law.

Are hand-made, original design oriental rugs eligible?

Most handmade oriental rugs are not original art under the definition adopted for the Cultural Districts program. They are created from traditional patterns or may be variations of a pattern recreated again and again. The rugs are manufactured items even though they use a hand knotting construction process.



Frequently Asked Questions

Is portrait photography eligible?

Fine art photography refers to photographs that are created to fulfill the creative vision of the artist, in contrast to photojournalism and commercial photography. Photojournalism provides visual support for stories, mainly in the print media. Commercial photography's main focus is to sell a product or service rather than create an artistic vision.

Typically studio, portrait, and commissioned photography are considered to be commercial photography, not fine art photography, and therefore are not eligible for tax exempt sale in a Cultural District. However, if there is a question as to the eligibility of a photograph as an original work of art, an advisory opinion should be requested.

Are tattoos considered works of art eligible for the tax exemption?

While tattoos are considered an artistic creation, the Department has issued a ruling that works of art must be transferable; therefore body images are not eligible.

How does the intent of the artist effect whether an item is a work of art?

Art is defined as the process or product of deliberately arranging elements in a way that appeals to the sense or emotions, the product of human creativity, serving as a means of expression.

What if I am not sure if an item meets the definition and is eligible?

You may request an original art advisory opinion through the Office of Cultural Development. Complete an Original Art Advisory Opinion form available online at www.crt.la.gov/culturaldistricts and submit it to ghamilton@crt.la.gov, for a determination.

How do I decide if I need an original art advisory opinion?

To decide if an advisory opinion is needed for a particular item or class of items ask yourself this question- Does this item stand alone as a work of art, is it original and unique, was it hand-made, and not meant for multiple reproduction? If you can honestly answer yes to all these questions but are still uncertain whether the item is original art you should request an opinion as provided in the Cultural Districts Advisory Opinion instructions. If you cannot answer yes to all points of the definition, the item is not eligible, and an advisory opinion is not needed.





For more information or questions
please check the website or contact:

www.crt.la.gov/cultural-development/arts/cultural-districts

Gaye Hamilton, Cultural District Program Manager at
Phone: 225.342.8161 or Email: gghamilton@crt.la.gov

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