



Cultural Districts Original Art Sales Tax Exemption Notice and Instructions

Louisiana Cultural Districts is a program of the Cultural Economy Initiative of the Office of Lt. Governor Mitch Landrieu. The primary goal of the program is to revitalize communities by creating locally driven hubs of cultural activity, and encouraging opportunities to create or rebuild cultural destinations, by providing state historic tax credits and original art sales tax exemption.

Effective on the first day of the month after the date of certification within the boundaries of a certified Cultural District, no sales tax shall be charged on the sale of original, one-of-a-kind works of art that meet the definition set forth in the law, defined below.

The Cultural District original art sales tax exemption is not optional. The law states that no sales tax, either state or local, shall be charged on the sale of original, one-of-a-kind works of art within the boundaries of a Cultural District.

Documentation of Tax Exempt Sales

Sellers shall certify the authenticity of original works of art and document the tax-exempt sale of these certified works by using the Tax Exemption Certificates ([R-1384](#)) provided by the Louisiana Department of Revenue (LDR), available online at www.crt.state.la.us/culturaldistricts. The Sales Tax Exemption Certificate to document the sale and authenticity of original art includes the following information:

1. Name and address of the Purchaser
2. The title and description of the work of art including its medium and dimensions, the name of the artist, predominant color, its date of creation (if known). The sale date and price of the work of art.
3. Name and address of Seller. Name and location of the Cultural District.
4. Signature of the Seller certifying that to the best of his knowledge the work of art meets the definition of a tax-exempt work of art, as defined below.

The seller shall retain Tax Exemption Certificates and documents described above on tax exempt sales, for purposes of audit. Sellers may provide the purchaser with a copy of the Tax Exemption Certificate certifying their purchase as an original, one-of-a-kind work of art.

Sellers shall retain copies of said certificates and documentation for inspection by the Louisiana Department of Revenue (LDR) and local taxing authorities.

Sales Tax Exemption Reporting

Sellers of original, one-of-a-kind works of art in a certified Cultural District should submit their monthly sales tax returns ([R-1029](#)) to the Louisiana Department of Revenue and to their local tax authority as usual. The total value of original art sales tax exemptions claimed during the reporting period should be entered on page 2, line 33 of the state form and on a corresponding line (typically lines 8-10) on the local sales tax report form.

If an audit reveals that sales tax was not collected properly on a work of art, the vendor or purchaser shall remit the amount of the uncollected tax to the proper taxing authorities, along with any penalties or fees. This provision does not affect the assessment and collection procedures undertaken by the Louisiana Department of Revenue.

Tax Exempt Works of Art Defined

1. A work of art is tax exempt if it is sold within a Cultural District and it is:
 - a. Original;
 - b. One-of-kind, except as further defined in section 2 below;
 - c. Visual art;
 - d. Conceived and made by hand of the artist or under his direction; and
 - e. Not intended for mass production, except for limited editions specified below.

2. Examples of eligible media and products include:
 - a. Visual arts and crafts, including but not limited to drawing, painting, sculpture, clay, ceramics, fiber, glass, leather, metal, paper, wood, installation art, light sculpture, wearable art, or mixed media; and
 - b. Limited, numbered editions (up to 100) of lithographs, photography, silk screen, intaglios, etchings, graphic design. Only handmade limited editions prints are eligible.

3. Examples of ineligible media and products include:
 - a. Performing art;
 - b. Food products;
 - c. Live plants, such as bonsai trees, floral arrangements, wreaths, and garlands;
 - d. Music recordings; and
 - e. Reproductions of original works of art

Frequently Asked Questions and answers about the definition of original art adopted for use by the Cultural Districts program are available at www.crt.state.la.us/culturaldistricts

Original Art Advisory Opinion

Prior to the sale, sellers may seek advance advisory opinions from the Office of Cultural Development (OCD) to determine whether a specific work of art meets the definition of a tax-exempt work of art. Sellers should provide a concise description of the work of art, artist, cost of work, date of creation, and other pertinent details including phone and contact information for reply, in writing to the address below for an advisory opinion.

Cultural Districts
Original Art Advisory Opinion
PO Box 44247
Baton Rouge, LA 70804

After the sale and upon request of any taxing authority, the OCD may issue rulings on whether a specific work of art meets the definition of a tax-exempt work of art.

Louisiana Department of Revenue Service

Sellers of original, one-of-a-kind works of art may register with the Department of Revenue to receive regular communication from the Department of Revenue on rulings, guidelines, and advice regarding the implementation of this and other tax provisions. Sign up for the Louisiana Department of Revenue electronic Policy Statement Subscription Service at <http://www.revenue.louisiana.gov/sections/lawspolicies/psss.aspx>

For information contact Gaye Hamilton, 225-342-8161, gghamilton@crt.state.la.us