

Regular Session, 2003

HOUSE BILL NO. 425

BY REPRESENTATIVE PITRE

TAX EXEMPTIONS: (Constitutional Amendment) Exempts from property tax drilling rigs used exclusively for the exploration and development of minerals in OCS waters, which are within the state for storage, or for conversion, renovation, or repair, and any property related to the same

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A JOINT RESOLUTION

Proposing to add Article VII, Section 21(J) of the Constitution of Louisiana, relative to ad valorem property tax exemptions; to exempt drilling rigs used exclusively for the exploration and development of minerals outside the territorial limits of the state in each parish in which the voters approve a proposition granting such exemption; and to specify an election for submission of the proposition to electors and provide a ballot proposition.

Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members elected to each house concurring, that there shall be submitted to the electors of the state, for their approval or rejection in the manner provided by law, a proposal to add Article VII, Section 21(J) of the Constitution of Louisiana, to read as follows:

§21. Other Property Exemptions

Section 21. In addition to the homestead exemption provided for in Section 20 of this Article, the following property and no other shall be exempt from ad valorem taxation:

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1           (J)(1) Drilling rigs used exclusively for the exploration and  
2           development of minerals outside the territorial limits of the state in  
3           Outer Continental Shelf waters which are within the state for the  
4           purpose of being stored or stacked for use outside the territorial limits  
5           of the state, or for the purpose of being converted, renovated, or  
6           repaired, and any property in the state for the purpose of being  
7           incorporated in, or to be used in the operation of said drilling rigs.

8           (2) The exemption provided in this Paragraph shall be  
9           applicable in any parish in which the exemption has been approved by  
10          a majority of the electors of the parish voting thereon at an election  
11          called for that purpose.

12          Section 2. Be it further resolved that this proposed amendment shall be  
13          submitted to the electors of the state at the gubernatorial primary election to be  
14          held in 2003.

15          Section 3. Be it further resolved that, after approval by the electors of  
16          this state, this proposed amendment shall become effective on January 1, 2004.

17          Section 4. Be it further resolved that on the official ballot to be used at  
18          the election there shall be printed a proposition, upon which the electors of the  
19          state shall be permitted to vote FOR or AGAINST, to amend the Constitution  
20          of Louisiana, which proposition shall read as follows:

21                 To exempt from property tax drilling rigs used exclusively for  
22                 the exploration and development of minerals outside the state  
23                 which is within the state for the purpose of being stored or  
24                 stacked, or converted, renovated, or repaired, and any property  
25                 to be incorporated in or to be used in the operation of said  
26                 drilling rigs in each parish in which the voters have approved a

1                           proposition granting such exemption. (Effective January 1,  
2                           2004)(Adds Article VII, Section 21(J))

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DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument.

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Pitre

HB No. 425

**Abstract:** Exempts from property tax drilling rigs used exclusively for the exploration and development of minerals in OCS waters, which are within the state for storage, or for conversion, renovation, or repair, and any property related to the same in any parish in which the voters have approved the granting of such exemption.

Proposed constitutional amendment exempts from ad valorem property tax drilling rigs used exclusively for the exploration and development of minerals outside the territorial limits of the state in Outer Continental Shelf waters that are within the state for the purpose of being stored or stacked for use outside the territorial limits of the state, or for the purpose of being converted, renovated, or repaired, and any property in the state for the purpose of being incorporated in, or to be used in the operation of the drilling rig in each parish in which the voters have approved a proposition granting such exemption.

Effective January 1, 2004.

(Adds Const. Art. VII, §21(J))