

Regular Session, 1999

HOUSE BILL NO. 617

BY REPRESENTATIVE MURRAY (BY REQUEST)

TAX/AD VALOREM-EXEMPTION: (Constitutional Amendment) Extends authorization for tax exemption contracts for expansion, restoration, improvement, or development to include all residential structures in the state

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15

A JOINT RESOLUTION

Proposing to amend Article VII, Section 21(H) of the Constitution of Louisiana, relative to ad valorem property tax exemptions; to authorize the State Board of Commerce and Industry to enter into tax exemption contracts, with a property owner proposing expansion, restoration, improvement, or development of an existing residential structure outside of a downtown, historic, or economic development district; to provide conditions for termination of such contracts; to provide for submission of the proposed amendment to the electors; and to provide for related matters.

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 of Louisiana, for their approval or rejection in the manner provided by law, a proposal to amend Article VII, Section 21(H) of the Constitution of Louisiana, to read as follows:

1 §21. Other Property Exemptions

2 Section 21.

3 * * *

4 (H) Notwithstanding any contrary provision of this constitution,
5 the State Board of Commerce and Industry or its successor, with the
6 approval of the governor and the local governing authority and in
7 accordance with procedures and conditions provided by law, may enter
8 into contracts granting to a property owner, who proposes the
9 expansion, restoration, improvement, or development of an existing
10 structure or structures in a downtown, historic, or economic
11 development district established by a local governing authority or in
12 accordance with law, the right for an initial term of five years after
13 completion of the work to pay ad valorem taxes based upon the
14 assessed valuation of the property for the year prior to the
15 commencement of the expansion, restoration, improvement, or
16 development. Contracts may be renewed, subject to the same
17 conditions, for an additional five years extending such right for a total
18 of ten years from completion of the work. The State Board of
19 Commerce and Industry, or its successor, may also enter into such
20 contracts with a property owner for an existing residential structure or
21 structures outside of a downtown, historic, or economic development
22 district under the same terms and conditions as provided in this
23 Paragraph except that any such contract shall terminate if the structure's
24 use is changed from residential use to commercial use.

25 * * *

1 Section 2. Be it further resolved that this proposed amendment shall be
2 submitted to the electors of the state of Louisiana at the gubernatorial primary
3 election to be held in 1999.

4 Section 3. Be it further resolved that on the official ballot to be used
5 at said election there shall be printed a proposition, upon which the electors
6 of the state shall be permitted to vote FOR or AGAINST, to amend the
7 Constitution of Louisiana, which proposition shall read as follows:

8 To authorize the State Board of Commerce and Industry, with
9 the approval of the governor and the local governing authority,
10 to enter into contracts granting to a property owner who
11 proposes the expansion, restoration, improvement, or
12 development of an existing residential structure or structures
13 outside of a downtown, historic, or economic development
14 district, the right to pay ad valorem taxes based upon the
15 assessed valuation of the property for the year prior to the
16 commencement of the expansion, restoration, improvement, or
17 development, for an initial term of five years after completion
18 of the work, subject to renewal for one additional five-year
19 period extending such right for a total of ten years from
20 completion of the work, provides for termination of contract if
21 use is changed from residential to commercial. (Amends Article
22 VII, Section 21(H))

DIGEST

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

Murray

HB No. 617

Present constitution authorizes the State Board of Commerce and Industry (the board), or its successor, subject to the approval of the governor and the local governing authority, to enter into contracts granting to a property owner, who proposes the expansion, restoration, improvement, or development of an existing structure or structures in a downtown, historic, or economic development district, the right for an initial term of five years after completion of the work to pay ad valorem taxes based upon the assessed valuation of the property for the year prior to the commencement of the expansion, restoration, improvement, or development. Such contracts may be renewed, subject to the same conditions, for an additional five years extending the right for a total of 10 years from completion of the work.

Proposed constitutional amendment retains present constitution and authorizes the board to enter into such contracts with a property owner for an existing residential structure or structures outside of a downtown, historic, or economic development district. The structure must remain residential property for the contract to remain in force for the entire term.

Provides for submission of the proposed amendment to the voters at the gubernatorial primary election in 1999.

(Amends Const. Art. VII, §21(H))