



OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note

Fiscal Note On: HB 360 HLS 15RS 1139
Bill Text Version: ENGROSSED
Opp. Chamb. Action:
Proposed Amd.:
Sub. Bill For.:

Date: May 13, 2015 5:32 PM Author: CHANEY
Dept./Agy.: Constitutional Amendment Analyst: Whit Kling
Subject: Tax/Ad Valorem-Exemption

TAX/AD VALOREM-EXEMPTION EG INCREASE LF RV See Note Page 1 of 1
(Constitutional Amendment) Specifies that the exemption from ad valorem taxation on public property is for land and property owned by this state or a political subdivision of the state

Purpose of the Bill: The bill would amend Article VII Section 21(A) of the Constitution. The bill would clarify that the ad valorem exemption currently allowed for "Public lands; other public property used for public purposes" be for "Public lands; and other public property owned by the state of Louisiana or a political subdivision of the state used for public purposes".

Table with 7 columns: EXPENDITURES, 2015-16, 2016-17, 2017-18, 2018-19, 2019-20, 5-YEAR TOTAL. Rows include State Gen. Fd., Agy. Self-Gen., Ded./Other, Federal Funds, Local Funds, and Annual Total.

Table with 7 columns: REVENUES, 2015-16, 2016-17, 2017-18, 2018-19, 2019-20, 5-YEAR TOTAL. Rows include State Gen. Fd., Agy. Self-Gen., Ded./Other, Federal Funds, Local Funds, and Annual Total.

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

REVENUE EXPLANATION

This may increase local governmental revenues by an indeterminable amount.

This bill may allow local governments to receive tax revenue from entities that may now be considered exempt from this ad valorem tax. Due to the lack of information regarding the potential number of local governments that might be affected, the potential statewide impact is indeterminable.

However, we obtained information that provides some indication of potential impact with one local government entity. A recent judicial judgment involving an out-of-state public utility company (with property in Louisiana) and West Carroll Parish ruled that the provisions of Article Section 21(A), as currently worded, did not restrict the exemption to property owned by "Louisiana" or "Louisiana political subdivisions".

Senate Dual Referral Rules House
13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}
13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}
6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
6.8(F)(2) >= \$500,000 Rev. Red. to State {H & S}
6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}
Michael G. Battle
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