

ACT No. 328

2018 Regular Session

HOUSE BILL NO. 598

BY REPRESENTATIVE HAVARD

1 AN ACT

2 To enact R.S. 47:2138, to provide with respect to ad valorem tax; to authorize a local taxing
3 authority to enter into certain agreements concerning payment of ad valorem taxes;
4 to require notification of the Board of Commerce and Industry of advance tax
5 payment agreements; to establish requirements for the agreements and taxpayers who
6 may participate in agreements; to provide for the use of monies paid under an
7 agreement; to authorize a local taxing authority to issue ad valorem tax credits under
8 certain circumstances; to provide with respect to the application of certain tax
9 credits; to authorize the payment of interest; to provide for effectiveness; and to
10 provide for related matters.

11 Be it enacted by the Legislature of Louisiana:

12 Section 1. R.S. 47:2138 is hereby enacted to read as follows:

13 §2138. Advance tax payment agreement; ad valorem tax; credits

14 A. Agreement. (1) A local taxing authority, hereinafter referred to as
15 "taxing authority", may enter into an advance tax payment agreement with a taxpayer
16 to provide for the advance payment of certain ad valorem taxes in exchange for the
17 issuance of tax credits by the taxing authority to the taxpayer, hereinafter referred to
18 as "agreement". An agreement may require the taxing authority to pay interest
19 associated with the tax credits at a rate not to exceed the effective judicial interest
20 rate established under R.S. 13:4202(B).

21 (2) For purposes of this Section, "taxpayer" means the owner of a property
22 that is under contract for the ad valorem property tax exemption authorized under
23 Article VII, Section 21(F) of the Constitution of Louisiana and who is a party to the

1 agreement which requires the taxpayer to make advance payment of ad valorem
2 taxes.

3 B. Tax credits. As provided in the agreement, the taxpayer shall be entitled
4 to ad valorem tax credits issued by the taxing authority in an amount equal to the
5 amount of advance tax payments made under the agreement plus interest. No more
6 than twenty percent of the total value of the taxpayer's tax credits may be claimed
7 against the taxpayer's tax liability in any tax year. The tax credits may be applied
8 only to tax liabilities which become due on the taxpayer's property that is the subject
9 of the exemption contract under Article VII, Section 21(F) of the Constitution of
10 Louisiana.

11 C. Notification to the Board of Commerce and Industry. A taxpayer that has
12 entered into an agreement shall provide the Board of Commerce and Industry with
13 a copy of the executed agreement within thirty days of execution.

14 D. Notwithstanding any provision of administrative law or policy to the
15 contrary, a taxpayer's participation in an agreement shall have no bearing or effect
16 upon the taxpayer's eligibility for or continued benefit from an exemption contract
17 authorized under Article VII, Section 21(F) of the Constitution of Louisiana.

18 Section 2. This Act shall become effective upon signature by the governor or, if not
19 signed by the governor, as provided by Article III, Section 18 of the Constitution of
20 Louisiana. If vetoed by the governor and subsequently approved by the legislature, this Act
21 shall become effective on the day following such approval.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____