

SENATE BILL NO. 226

BY SENATOR BARROW

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AN ACT

To amend and reenact R.S. 33:2740.9, relative to tax exemptions for certain special districts created to finance capital improvements; to provide for the creation of such districts; to authorize the levy of sales and use taxes and ad valorem taxes by the districts; to clarify the exemptions that will be in effect in such districts; to provide for public hearings and elections; to provide for retroactive and prospective application; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 33:2740.9 is hereby amended and reenacted to read as follows:

§2740.9. ~~East Baton Rouge Parish~~ **Certain parishes**; special taxing districts; additional sales and use tax; ad valorem tax

A. The governing authority of ~~East Baton Rouge Parish~~ **a parish with a population of more than four hundred and forty thousand persons as established by the most recent federal decennial census** is hereby authorized to create within the parish one or more capital improvement districts which may contain all or any portion of the territory contained within the present boundaries of the parish. Each district created under the authority of this Section shall be created by ordinance of the governing authority of ~~East Baton Rouge Parish~~ **the parish** setting forth the area or areas of the parish to be included in the district. The

1 governing authority of the parish shall be the governing authority for any district so
2 created.

3 B.(1) In order to fund projects of capital improvement within any district
4 created pursuant to the provisions of this Section, including but not limited to
5 improvements to public roads, streets, and gravity drainage works, the governing
6 authority of ~~East Baton Rouge Parish~~ **the parish**, as the governing authority of the
7 district, is hereby authorized to levy a sales and use tax not exceeding one percent
8 within the district, **subject to an exemption for food for home consumption and**
9 **prescription drugs, and** subject to the approval of a majority of the electors voting
10 in the election who reside in the district.

11 (2) The tax shall be imposed by ordinance and shall be levied upon the sale
12 at retail, the use, the lease or rental, the consumption, the distribution, and storage
13 for consumption, of tangible personal property, and upon the sales of services within
14 the district, all as presently or hereafter defined in R.S. 47:301 through 317, **both**
15 **inclusive, except that the sale at retail, the use, the consumption, the**
16 **distribution, and the storage for use or consumption, in the parish of food for**
17 **home consumption, as defined in R.S. 47:305(D)(1)(n) through (r), and**
18 **prescription drugs, as defined in R.S. 47:305(D)(1)(j), is hereby specifically**
19 **exempted from the tax authorized by this Section.**

20 (3) This tax shall be in addition to all other taxes currently levied in ~~East~~
21 ~~Baton Rouge Parish~~ **the parish**, and, except where inapplicable, the procedure
22 established by R.S. 47:301 through 317 shall be followed in the imposition,
23 collection, and enforcement of the tax and procedural details necessary to be
24 established to supplement the provisions of those Sections and to make said
25 provisions applicable to the tax herein authorized shall be fixed in the ordinance
26 imposing the tax.

27 C. In order to fund projects of capital improvement within any district
28 created pursuant to the provisions of this Section, including but not limited to
29 improvements to public roads, streets, and gravity drainage works, the governing
30 authority of ~~East Baton Rouge Parish~~ **the parish**, is hereby authorized to levy an ad

1 valorem tax on property located within the boundaries of the district, subject to the
2 approval of a majority of the electors voting in the election who reside in the district.

3 D.(1) Prior to adoption of any ordinance levying a tax under the provisions
4 of this Section, the governing authority of ~~East Baton Rouge Parish~~ **the parish** shall
5 hold at least one public meeting to consider the proposed capital improvements and
6 the tax or taxes to be levied to fund the improvements. Notice of the time and place
7 of the meeting shall be published once a week in three different weeks in the official
8 journal of the parish. At least fifteen days shall elapse between the first publication
9 and the date of the meeting.

10 (2) At any time after the meeting the governing authority may call an
11 election at which there shall be submitted to the qualified electors of the area within
12 the district a proposition to authorize the imposition of the sales tax or the ad
13 valorem tax, or both, including the capital improvements to be funded and the rate
14 and duration of the tax, and a majority of those voting in the election shall have
15 voted in favor of the proposition.

16 (3) The proposition may also include provisions authorizing the funding of
17 the additional sales tax or the ad valorem tax into negotiable bonds or certificates of
18 indebtedness payable solely from an irrevocable pledge and dedication of all or a
19 portion of the proceeds of the tax or taxes, subject to the prior payment of the costs
20 and expenses of administration and collection of the tax.

21 E. The proceeds of any tax authorized by and levied in accordance with the
22 provisions of this Section shall be used exclusively for capital improvements within
23 the district.

24 Section 2. The provisions of this Act relative to the sales and use tax exemptions for
25 food and prescription drugs are intended to clarify that these items were always intended and
26 believed to be exempt from taxation and therefore these provisions shall be applied
27 retroactively as well as prospectively.

28 Section 3. This Act shall become effective upon signature by the governor or, if not
29 signed by the governor, upon expiration of the time for bills to become law without signature
30 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If

1 vetoed by the governor and subsequently approved by the legislature, this Act shall become
2 effective on the day following such approval.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____