

Regular Session, 2012

HOUSE BILL NO. 497

BY REPRESENTATIVE BARRAS AND SENATOR MILLS

TAX/AD VALOREM-EXEMPTION: (Constitutional Amendment) Authorizes the city of New Iberia to grant contracts for the exemption of property annexed by the city

1 A JOINT RESOLUTION

2 Proposing to add Article VII, Section 21(L) of the Constitution of Louisiana, to authorize
3 the governing authority of the city of New Iberia to grant ad valorem tax exemption
4 contracts for certain property annexed by the city; to provide for the approval of
5 contracts; to provide for certain contract limitations; to provide with respect to the
6 assessment and taxation of property subject to a contract; to authorize the legislature
7 to provide for implementation; to provide for submission of the proposed amendment
8 to the electors; and to provide for related matters.

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

13 §21. Other Property Exemptions

14 Section 21. In addition to the homestead exemption provided for in Section
15 20 of this Article, the following property and no other shall be exempt from ad
16 valorem taxation:

17 * * *

18 (L) Property in New Iberia under contract as provided in this Paragraph.
19 Notwithstanding any provision of this constitution to the contrary, the governing
20 authority of New Iberia may enter into contracts for the exemption from ad valorem
21 taxes on property that is annexed by New Iberia after January 1, 2013. No such

1 contract shall become effective unless it is approved by a two-thirds vote of the
2 members of the governing authority of the city. A contract shall grant the property
3 owner an exemption from ad valorem taxes for a period of up to five calendar years,
4 and contracts may be renewed for up to five additional years if the renewal is
5 approved by a two-thirds vote of the members of the governing authority. All
6 property exempted pursuant to a contract shall be listed on the assessment rolls and
7 submitted to the Louisiana Tax Commission or its successor, but no taxes shall be
8 collected thereon during the period of exemption; however, the exemption authorized
9 by this Paragraph shall in no way affect or impair the security of any bonds payable
10 from the proceeds of a tax. The legislature may provide by law for implementation
11 of the provisions of this Paragraph.

12 Section 2. Be it further resolved that this proposed amendment shall be submitted
13 to the electors of the state of Louisiana at the statewide election to be held on November 6,
14 2012.

15 Section 3. Be it further resolved that on the official ballot to be used at the election,
16 there shall be printed a proposition, upon which the electors of the state shall be permitted
17 to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as
18 follows:

19 Do you support an amendment to authorize the granting of ad valorem tax
20 exemption contracts by the city of New Iberia for property annexed by the
21 city after January 1, 2013? (Adds Article VII, Section 21(L))

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Barras

HB No. 497

Abstract: Authorizes the city of New Iberia to grant ad valorem tax exemption contracts to owners of property annexed by the city after Jan. 1, 2013.

Present constitution authorizes various local governments to levy ad valorem taxes and specifies the property that is exempt from such taxes.

Proposed constitutional amendment retains present constitution and authorizes New Iberia to enter contracts providing for property tax exemptions for property annexed by the city after Jan. 1, 2013. Provides that such contracts shall become effective only if approved by 2/3rds vote of the governing authority of New Iberia. Provides that a contract shall grant to the owner of the annexed property a tax exemption for up to five calendar years and may be renewed for an additional five years if renewal is approved by 2/3rds vote of the governing authority.

Proposed constitutional amendment requires that all property exempted pursuant to a contract be listed on the assessment rolls, but no taxes shall be collected thereon during the period of exemption; however, the exemption shall in no way affect or impair the security of any bonds payable from the proceeds of a tax.

Proposed constitutional amendment authorizes the legislature to provide by law for its implementation.

Provides for submission of the proposed amendment to the voters at the statewide election to be held Nov. 6, 2012.

(Adds Const. Art. VII, §21(L))

Summary of Amendments Adopted by House

House Floor Amendments to the reengrossed joint resolution.

1. Adds provision specifying that renewal of a contract requires approval by a 2/3rds vote of the municipal governing authority.