

ACT No. 871

Regular Session, 2012

HOUSE BILL NO. 674

BY REPRESENTATIVE ROBIDEAUX

A JOINT RESOLUTION

Proposing to add Article VII, Section 21(L) of the Constitution of Louisiana, to authorize the granting of ad valorem tax exemption contracts to certain businesses which contain such terms and conditions as provided by law; to provide with respect to the assessment and taxation of property subject to a contract; to provide for effectiveness; 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 add Article VII, Section 21(L) of the Constitution of Louisiana, to read as follows:

§21. Other Property Exemptions

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

* * *

(L)(1) Except as otherwise provided herein, property owned or leased by, and used by, a targeted non-manufacturing business in the operation of its facility, including buildings, improvements, equipment, and other property necessary or beneficial to such operation, according to a program and pursuant to contracts of exemption which contain such terms and conditions which shall be provided by law. Land underlying the facility and other property pertaining to the facility on which ad

1 valorem taxes have previously been paid, inventories, consumables, and property
2 eligible for the manufacturing exemption provided by Paragraph (F) of this Section,
3 shall not be exempt under this Paragraph.

4 (2) Ad valorem taxes shall apply to the assessed valuation of the first ten
5 million dollars or ten percent of fair market value, whichever is greater, and this
6 amount of property shall not be exempt under this Paragraph.

7 (3) A targeted non-manufacturing business means at least fifty percent of
8 such business' total annual sales from a site or sites in the state is to out-of-state
9 customers or buyers, or to in-state customers or buyers but the product or service is
10 resold by the purchaser to an out-of-state customer or buyer for ultimate use, or to
11 the federal government, or any combination thereof. The legislature may provide by
12 law for the inclusion of sales by affiliates when appropriate in making this fifty
13 percent determination.

14 (4) A contract for the exemption shall be available only in parishes which
15 have agreed to participate, in the manner provided by the legislature by law.

16 Section 2. Be it further resolved that this proposed amendment shall be submitted
17 to the electors of the state of Louisiana at the statewide election to be held on November 6,
18 2012.

19 Section 3. Be it further resolved that the provisions of the amendment contained in
20 this Joint Resolution shall become effective on January 1, 2013.

21 Section 4. Be it further resolved that on the official ballot to be used at the election,
22 there shall be printed a proposition, upon which the electors of the state shall be permitted

1 to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as
2 follows:

3 Do you support an amendment to authorize the granting of ad valorem tax
4 exemption contracts by the Board of Commerce and Industry for businesses
5 located in parishes which have chosen to participate in a program established
6 for the granting of such contracts? (Effective January 1, 2013) (Adds Article
7 VII, Section 21(L))

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE