

Proposed constitutional amendment authorizes the granting of an exemption from ad valorem property tax for property owned or leased by, and used by, a "targeted non-manufacturing business" in the operation of its facility pursuant to a contract of exemption which contains such terms and conditions as provided by law.

Proposed constitutional amendment provides that land underlying the facility and other property pertaining to the facility on which ad valorem taxes have previously been paid, inventories, consumables and property eligible for the manufacturing exemption in the present constitution shall not be exempt. Further, ad valorem taxes shall apply to the assessed valuation of the first \$10 million or 10% of fair market value of the business' property, whichever is greater.

Proposed constitutional amendment defines "targeted non-manufacturing business" as a business which has at least 50% of its total annual sales from sites in the state to out-of-state customers, or to in-state customers but the product or service is resold by the purchaser to an out-of-state customer for ultimate use, or to the federal government, or any combination thereof. Authorizes the legislature to provide by law for the inclusion of sales by affiliates when appropriate in making this 50% determination.

Proposed constitutional amendment authorizes the granting of exemption contracts only in parishes which have agreed to participate in the program.

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

Effective January 1, 2013.

(Adds Const. Art. VII, §21(L))