

1 recommended by the governor, and to the extent of the governor's recommendation.

2 Property eligible for the exemption shall be as provided in Subparagraph (1) of this
3 Paragraph.

4 (1)(a) Property of a new manufacturing establishment or an addition to an
5 existing manufacturing establishment.

6 (b) A property subject to a cooperative endeavor agreement which has been
7 approved by a committee of the legislature, as provided by law.

8 (2) The exemption authorized under this Paragraph shall be to the extent
9 agreed to and provided for in the cooperative endeavor agreement. All property
10 exempted shall be listed on the assessment rolls and submitted to the Louisiana Tax
11 Commission.

12 (3) Except as otherwise provided herein, property subject to a contract of
13 exemption pursuant to Paragraph (F) of this Section shall be ineligible for the
14 exemption authorized under this Paragraph. However, an ad valorem taxing
15 authority may negotiate and enter into a cooperative endeavor agreement with a
16 property owner for payments in lieu of ad valorem taxes during the first two years
17 of a contract of exemption pursuant to Paragraph (F) of this Section as provided by
18 law.

19 (4) The terms "manufacturing establishment" and "addition" shall have the
20 same meanings ascribed to them in Paragraph (F) of this Section.

21 (5) Before the execution of a cooperative endeavor agreement, the governing
22 authority of the taxing authority shall adopt a resolution with respect to its intention
23 to execute the agreement, which resolution may be considered for adoption only after
24 a public hearing held in accordance with the same public notice required for an
25 increase in a millage rate without voter approval as provided in Section 23(C) of this
26 Article.

27 Section 2. Be it further resolved that this proposed amendment shall be submitted
28 to the electors of the state of Louisiana at the statewide election to be held on November 6,
29 2018.

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

5 Do you support an amendment to grant an ad valorem property tax
6 exemption for property that is subject to an agreement with local government
7 allowing the property owner to make payments instead of property taxes?

8 (Adds Article VII, Section 21(O))

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)]

HB 476 Original

2018 Regular Session

Ivey

Abstract: Establishes an ad valorem tax exemption for property that is subject to a cooperative endeavor agreement that requires the property owner to make payments in lieu of ad valorem taxes.

Present constitution authorizes the imposition of ad valorem property taxes by local governments, school boards, and other special districts.

Present constitution authorizes a variety of exemptions from ad valorem tax.

Proposed constitutional amendment changes present constitution by establishing an exemption for property subject to a cooperative endeavor agreement that requires the property owner to make payments in lieu of the ad valorem taxes imposed by a taxing authority that is a party to the agreement. The exemption shall not exceed 10 years in duration. However, an exemption may exceed the 10 year limitation if recommended by the governor, and to the extent of the governor's recommendation.

Proposed constitutional amendment limits eligibility for the exemption to either a manufacturing establishment that qualifies for the industrial tax exemption, or a property subject to a cooperative endeavor agreement that has been approved by a legislative committee. Proposed constitutional amendment further prohibits eligibility for this exemption for a manufacturing establishment that has a contract for the industrial tax exemption, unless it is within the first two years of that contract.

Proposed constitutional amendment requires that exempt properties be listed on the assessment rolls and that information concerning those properties be submitted to the La. Tax Commission.

Provides for submission of the proposed amendment to the voters at the statewide election to be held Nov. 6, 2018.

(Adds Const. Art. VII, §21(O))