

2019 Regular Session

SENATE BILL NO. 33

BY SENATOR THOMPSON

SPECIAL DISTRICTS. Authorizes expansion of scope of projects and extension of use of state sales tax for certain tax increment financing districts. (8/1/19)

1 AN ACT

2 To amend and reenact R.S. 33:9033, relative to tax increment financing; to provide for
3 exceptions to the use of state tax increments for the expansion of certain projects;
4 and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 33:9033 is hereby amended and reenacted to read as follows:

7 §9033. Sales tax increment financing

8 A. A local governmental subdivision may issue revenue bonds payable
9 solely from an irrevocable pledge and dedication of up to the full amount of sales tax
10 increments, in an amount to be determined by the local governmental subdivision,
11 to finance or refinance an economic development project or any part thereof or to
12 pay all or a portion of the costs of an economic development project as specified in
13 R.S. 33:9035. A sales tax increment shall consist of that portion of sales tax revenues
14 for any or all taxing authorities, except for the state of Louisiana and any political
15 subdivision whose boundaries are coterminous with the state of Louisiana, collected
16 each year on the sale at retail, the use, the lease or rental, the consumption and
17 storage for use or consumption of tangible personal property, and on sales of

1 services, all as defined in R.S. 47:301 et seq., or any other appropriate provision or
2 provisions of law as amended, from taxpayers located within an economic
3 development area which exceeds the sales tax revenues that were collected for such
4 taxing authority in the year immediately prior to the year in which the area was
5 designated as an economic development area. Dedication of sales tax increments to
6 pay the revenue bonds shall not impair existing obligations and shall not include tax
7 revenues previously dedicated for a special purpose.

8 **B. Notwithstanding the provisions of Subsection A of this Section, the**
9 **prohibition regarding the use of state sales tax increments for purposes of sales**
10 **tax increment financing shall not apply to:**

11 **(1) An economic development project that was approved by the Joint**
12 **Legislative Committee on the Budget before April 1, 1995, or any expansion of**
13 **the project scope or extension of the use of the state sales tax for such economic**
14 **development project.**

15 **(2) An economic development program that was acted upon by**
16 **resolution or ordinance of a local governmental subdivision before June 1, 1995,**
17 **and submitted for approval in writing to the Joint Legislative Committee on the**
18 **Budget before July 1, 1995, or any expansion of the project scope or extension**
19 **of the use of the state sales tax for such economic development program.**

20 **(3) Any expansion of the project scope or extension of the use of the state**
21 **sales tax for an economic development project or program for which the**
22 **cooperative endeavor agreement initially authorizing the state sales tax**
23 **increment was executed before July 1, 1997, and did not expire on or before**
24 **August 1, 2019, provided that the state sales tax increment shall not be extended**
25 **beyond December 31, 2033.**

26 Section 2. This Act shall not supercede the provisions of Act 435 of the 2016
27 Regular Session of the Legislature.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Leonore Heavey.

DIGEST

SB 33 Engrossed

2019 Regular Session

Thompson

Present law provides that a sales tax increment shall consist of that portion of sales tax revenues for any or all taxing authorities, except for the state of Louisiana and any political subdivision whose boundaries are coterminous with the state.

Present law further provides limited exceptions to the prohibition regarding the use of sales tax increments of the state.

Proposed law provides an additional exception to the use of state sales tax increments for the expansion of projects if the original cooperative endeavor agreement authorizing the use of the state sales tax increment was executed before July 1, 1997, and did not expire before Aug. 1, 2019.

Proposed law does not allow the extension of the state sales tax increment beyond Dec. 31, 2033.

Effective August 1, 2019.

(Amends R.S. 33:9033)

Summary of Amendments Adopted by SenateCommittee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the original bill

1. Changes maximum extension period.