



1 §21. Other Property Exemptions

2 Section 21. In addition to the homestead exemption provided for in Section  
3 20 of this Article, the following property and no other shall be exempt from ad  
4 valorem taxation:

5 \* \* \*

6 (O) Notwithstanding any contrary provision of this Section, there are hereby  
7 authorized standard, local, and executive exemptions from ad valorem property taxes  
8 for capital investment projects as follows:

9 (1) The standard exemption shall be for a term of eight calendar years and  
10 shall exempt eighty percent of the ad valorem property taxes of the capital  
11 investment project. The standard exemption shall be reviewed by the Board of  
12 Commerce and Industry, or its successor as provided by law, and shall be subject to  
13 local approval as prescribed by law.

14 (2) The local exemption shall be for a term of no more than fifteen years and  
15 may exempt up to one hundred percent of the property taxes of the capital investment  
16 project. The local exemption shall be subject to local approval as prescribed by law.

17 (3) The executive exemption shall be for a term determined by the governor  
18 and may exempt up to one hundred percent of the property taxes of the capital  
19 investment project. The executive exemption shall require approval from the  
20 governor and shall be subject to local approval as prescribed by law.

21 (4) The enactment of a law to administer any exemption authorized in this  
22 Paragraph shall require a favorable vote of two-thirds of the elected members of each  
23 house of the legislature.

24 (5) Any entity eligible for the exemption provided for in Article VII, Section  
25 21(F) of this constitution shall not be eligible for the exemption provided for in this  
26 Paragraph.

27 \* \* \*

1 Section 2. Be it further resolved that this proposed amendment shall be submitted  
2 to the electors of the state of Louisiana at the statewide election to be held on November 8,  
3 2022.

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

8 Do you support an amendment to authorize property tax exemptions for  
9 capital investment projects, to provide for the approval, terms, and amounts  
10 of the exemptions, and to authorize the legislature to provide for the  
11 administration of the exemptions by law? (Adds Article VII, Section 21(O))

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#### 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)]

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HB 370 Engrossed

2021 Regular Session

Ivey

**Abstract:** Establishes standard, local, and executive property tax exemptions for capital investment projects when the projects meet eligibility and approval standards pursuant to law.

Present constitution authorizes a property tax exemption for new manufacturing establishments and additions to existing establishments for an initial term of five years, with a five-year renewal. The exemption is effectuated through a contract granted by the Board of Commerce and Industry, with the approval of the governor.

Proposed constitutional amendment authorizes three ad valorem property tax exemptions for capital investment projects as follows:

- (1) A standard exemption for a term of eight calendar years for 80% of property taxes. The exemption is subject to review by the Board of Commerce and Industry, and is subject to local approval as provided by law.
- (2) A local exemption for a term of no more than 15 calendar years for up to 100% of property taxes. The exemption is subject to local approval as provided by law.
- (3) An executive exemption for a term determined by the governor for up to 100% of property taxes. The exemption requires approval of the governor and is subject to local approval as provided by law.

Proposed constitutional amendment also requires that any law enacted to administer the new exemptions requires a favorable vote of two-thirds of the elected members of each house of the legislature.

Proposed constitutional amendment prohibits entities eligible for the ad valorem tax exemption authorized pursuant to present constitution (Article VII, Section 21(F)) from being eligible for the ad valorem tax exemption in the proposed constitutional amendment.

Provides for submission of the proposed amendment to the voters at the statewide election to be held Nov. 8, 2022.

(Adds Const. Art. VII, §21(O))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the original bill:

1. Remove proposed changes to the industrial ad valorem tax exemption program.
2. Establish a new ad valorem tax exemption program for certain capital investment projects.
3. Prohibit entities eligible for the industrial ad valorem tax exemption program from eligibility for the new capital investment project tax exemption program.
4. Make technical changes.