

2025 Regular Session

HOUSE BILL NO. 571

BY REPRESENTATIVE CARVER

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

TAX/AD VALOREM TAX: Provides for the classification of certain marine vessels for purposes of ad valorem taxes

1 AN ACT

2 To amend and reenact R.S. 47:1851(I), (J), and (M), relative to ad valorem taxes; to provide
3 for the classification of certain marine vessels for purposes of ad valorem taxes; to
4 provide for certain definitions; to provide for applicability; to provide for an
5 effective date; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:1851(I), (J), and (M) are hereby amended and reenacted to read
8 as follows:

9 §1851. Definitions

10 When used in this Part, unless the context requires a different meaning:

11 * * *

12 I. "Major movable property" means all movable and regularly moved
13 locomotives, cars, vehicles, craft, barges, boats, and similar things which have not
14 the character of immovable property, either owned or leased for a definite and
15 specific term, including, but not limited to, the engines, cars, and all rolling stock of
16 railroad companies; the boats, barges, and other watercraft and floating equipment
17 of barge line and towing companies; the rolling stock of private car companies; the
18 flight equipment of airlines; but not including "other movable property" as defined
19 in Subsection J. For purposes of classification of property, barge line and towing

1 vessels shall not be included within this definition. Motor vehicles or property
2 specifically exempt by law shall not be included within this definition.

3 J. "Other movable property" means all other property, corporeal or
4 incorporeal, not included within the definitions of "immovable property" or "major
5 movable property" and not immovable by nature or by disposition of law, which are
6 so owned, leased, and so operated or used, including, but not limited to, material and
7 supplies, inventories, fuel, leased rail, tools, furniture and fixtures, machinery, scales,
8 pumps, water wells, communication equipment used solely in such enterprises and
9 not available to the public, landing piers, docks, and all similar equipment. For
10 purposes of classification of property, barge line and towing vessels shall be included
11 within this definition. Any property specifically exempt by law shall not be included
12 within this definition.

13 * * *

14 M. "Public service properties" means the immovable, major movable, and
15 other movable property owned or used but not otherwise assessed in this state in the
16 operations of each airline, electric membership corporation, electric power company,
17 express company, gas company, pipeline company, railroad company, telegraph
18 company, telephone company, and water company. For each ~~barge line, towing, and~~
19 ~~other~~ water transportation company or private car company, only the major movable
20 property owned or used but not locally assessed or otherwise assessed in this state
21 in interstate or interparish operations shall be considered as public service property.

22 * * *

23 Section 2. The provisions of this Act shall be applicable to tax years beginning on
24 or after January 1, 2026.

25 Section 3. This Act shall become effective on January 1, 2026.

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 571 Original

2025 Regular Session

Carver

Abstract: Removes barge line and towing vessels from the definition of "major movable property" and places these properties within the definition of "other movable property" for purposes of classifying this property for ad valorem tax purposes.

Present constitution requires all property subject to ad valorem tax to be listed on the parish assessment rolls at its assessed valuation which is a percentage of the property's fair market value. Present constitution requires the percentage of fair market value to be uniform throughout the state on the same class of property and requires assessors to reappraise and value property at intervals of not more than four years.

Present constitution provides for the different classifications of property which corresponds with a percentage of fair market value applicable to each classification. Further provides that the legislature may define "public service properties" by law.

Present law defines "public service properties" as immovable, major movable, and other movable property owned or used but not otherwise assessed in this state in the operations of each airline, electric membership corporation, electric power company, express company, gas company, pipeline company, railroad company, telegraph company, telephone company, and water company. Further provides that for each barge line and towing company, only the major movable property owned or used but not locally assessed in this state in interstate or interparish operations shall be considered public service property.

Present law defines "major movable property" as all movable and regularly moved property such as locomotives, cars, vehicles, craft, barges, boats, and similar things which don't have the character of immovable property including boats, barges, and other watercraft and floating equipment of barge line and towing companies.

Present law defines "other movable property" as all other property not included within the definitions of "immovable property" or "major movable property" and not immovable by nature which are owned, leased, and operated or used including items such as materials and supplies, inventories, and landing piers, docks, and all similar equipment.

Proposed law retains present law as to definitions for purposes of classification of property for ad valorem tax purposes for all property except those related to barge line and towing vessels.

Proposed law removes barge line and towing vessels from the definition of "major movable property" and places these properties within the definition of "other movable property".

Proposed law is applicable to tax years beginning on or after Jan. 1, 2026.

Effective Jan. 1, 2026.

(Amends R.S. 47:1851(I), (J), and (M))