

2015 Regular Session

HOUSE BILL NO. 238

BY REPRESENTATIVE TALBOT

TAX/AD VALOREM TAX: (Constitutional Amendment) Exempts items constituting  
business inventory from ad valorem property tax

## A JOINT RESOLUTION

Proposing to add Article VII, Section 21(C)(20) of the Constitution of Louisiana, to provide  
with respect to ad valorem property tax; to exempt certain items constituting  
business inventory from ad valorem property tax; to provide for effectiveness; to  
provide for submission of the proposed amendment to the electors; and to provide  
for related matters.

Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members  
elected to each house concurring, that there shall be submitted to the electors of the state of  
Louisiana, for their approval or rejection in the manner provided by law, a proposal to add  
Article VII, Section 21(C)(20) of the Constitution of Louisiana, to read as follows:

## §21. Other Property Exemptions

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

\* \* \*

(C)

\* \* \*

(20) Items constituting business inventory, including goods which are held  
for sale, goods in production or for ultimate consumption in the production of goods  
or services for sale, and goods utilized in marketing and distribution activities.

\* \* \*

1           Section 2. Be it further resolved that the provisions of the amendment contained in  
2 this Joint Resolution shall be become effective on January 1, 2016, and shall be applicable  
3 to taxable years beginning on and after such date.

4           Section 3. Be it further resolved that this proposed amendment shall be submitted  
5 to the electors of the state of Louisiana at the statewide election to be held on October 24,  
6 2015.

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

11                   Do you support an amendment to exempt items constituting business  
12                   inventory from ad valorem property tax? (January 1, 2016) (Adds Article  
13                   VII, Section 21(C)(20))

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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 238 Original

2015 Regular Session

Talbot

**Abstract:** Exempts items constituting business inventory from ad valorem property tax.

Present constitution authorizes local governments to impose an ad valorem property tax upon movable and immovable property within their jurisdictions.

Proposed constitution exempts from ad valorem property tax items constituting business inventory. Such items include goods which are held for sale, goods in production or for ultimate consumption in the production of goods or services for sale, and goods utilized in marketing and distribution activities.

Effective Jan. 1, 2016.

Provides for submission of the proposed amendment to the voters at the statewide election to be held Oct. 24, 2015.

(Adds Const. Art. VII, §21(C)(20))