SLS 17RS-169

ORIGINAL

2017 Regular Session

SENATE BILL NO. 62

BY SENATOR ALLAIN

TAX EXEMPTIONS. Constitutional amendment to phase out ad valorem taxes on inventory over ten years. (2/3 - CA13s1(A))

1	A JOINT RESOLUTION
2	Proposing to add Article VII, Section 21(N) of the Constitution of Louisiana, relative to ad
3	valorem tax exemptions; to exempt inventory over a ten-year period; and to specify
4	an election for submission of the proposition to electors and provide a ballot
5	proposition.
6	Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members
7	elected to each house concurring, that there shall be submitted to the electors of the state, for
8	their approval or rejection in the manner provided by law, a proposal to add Article VII,
9	Section 21(N) of the Constitution of Louisiana, to read as follows:
10	§21. Other Property Exemptions
11	Section 21. In addition to the homestead exemption provided for in Section
12	20 of this Article, the following property and no other shall be exempt from ad
13	valorem taxation:
14	* * *
15	(N) Goods held in inventory shall be exempt from ad valorem taxes as
16	<u>follows:</u>
17	(1) Between January 1, 2019, and December 31, 2019, ten percent of the

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1	assessed valuation shall be exempt.
2	(2) Between January 1, 2020, and December 31, 2020, twenty percent of
3	the assessed valuation shall be exempt.
4	(3) Between January 1, 2021, and December 31, 2021, thirty percent of
5	the assessed valuation shall be exempt.
6	(4) Between January 1, 2022, and December 31, 2022, forty percent of
7	the assessed valuation shall be exempt.
8	(5) Between January 1, 2023, and December 31, 2023, fifty percent of the
9	assessed valuation shall be exempt.
10	(6) Between January 1, 2024, and December 31, 2024, sixty percent of the
11	assessed valuation shall be exempt.
12	(7) Between January 1, 2025, and December 31, 2025, seventy percent of
13	the assessed valuation shall be exempt.
14	(8) Between January 1, 2026, and December 31, 2026, eighty percent of
15	the assessed valuation shall be exempt.
16	(9) Between January 1, 2027, and December 31, 2027, ninety percent of
17	the assessed valuation shall be exempt.
18	(10) On and after January 1, 2028, all goods held in inventory shall be
19	exempt from ad valorem taxation.
20	Section 2. Be it further resolved that this proposed amendment shall be submitted
21	to the electors of the state of Louisiana at the statewide election to be held on November 6,
22	2018.
23	Section 3. Be it further resolved that on the official ballot to be used at said election
24	there shall be printed a proposition, upon which the electors of the state shall be permitted
25	to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as
26	follows:
27	Do you support an amendment to phase out ad valorem taxes on inventory
28	over ten years?
29	(Adds Article VII, Section 21(N))

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

DIGEST 2017 Regular Session

Allain

<u>Present constitution</u> provides that all property is subject to ad valorem taxation unless specifically exempted.

<u>Present constitution</u> provides for specifically enumerated exemptions including a homestead exemption.

<u>Proposed constitutional amendment</u> phases in an ad valorem tax exemption for goods held in inventory over a ten-year period completely exempting inventory from ad valorem taxation after January 1, 2028.

Specifies submission of the amendment to the voters at the statewide election to be held on November 6, 2018.

(Adds Const. Art. VII, Sec. 21(N))