

RÉSUMÉ DIGEST

ACT 428 (SB 140)

2017 Regular Session

Walsworth

Present constitution provides that certain property is exempt from ad valorem taxation.

Proposed constitutional amendment exempts all property delivered to a construction project site for the purpose of incorporating the property into any tract of land, building, or other construction as a component part, including the type of property that may be deemed to be a component part once placed on an immovable for its service and improvement pursuant to the provisions of the La. Civil Code. The exemption is effective until the construction project is complete.

Proposed constitutional amendment deems a project "complete" when construction is finished to the extent that the project can be used or occupied for its intended purpose. A project is not "complete" during its inspection, testing, or commissioning stages, as defined by reasonable industry standards.

Proposed constitutional amendment provides the following exceptions to the exemption:

- (1) Any portion of a construction project that is complete, available for its intended use, or operational on the date the property is assessed.
- (2) For projects constructed in two or more distinct phases, any phase of the construction project that is complete, available for its intended use, or operation on the date the property is assessed.
- (3) Public service properties, unless the public service property is eligible to receive an exemption pursuant to present constitution.

Provides for submission of the proposed amendment to the voters at the statewide election to be held on October 14, 2017.

(Adds Const. Art. VII, §21(N))