SLS 11RS-42 **ENGROSSED**

Regular Session, 2011

SENATE BILL NO. 54

BY SENATOR AMEDEE

TAX/AD VALOREM. Prohibits property transferred to the state or to a political subdivision whose ultimate primary use will be for a private commercial or industrial enterprise from being considered exempt from property taxes in certain parishes unless the tax recipient bodies in the parish which levy over half of the millages in the parish each adopt a resolution approving such transfer. (gov sig)

AN ACT

To enact R.S. 47:1713, relative to ad valorem property tax; to authorize the prohibition of certain property from being considered exempt for the tax of certain tax authorities in certain parishes; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:1713 is hereby enacted to read as follows:

§1713. Requirement for exemption of property used for a private commercial or industrial enterprise in certain parishes

A. Notwithstanding any other law to the contrary but subject to the provisions of Subsection C of this Section, in any parish with a population between twenty-one thousand and twenty-two thousand two hundred according to the most recent federal decennial census, no property, whether such property is movable or immovable, transferred to the state or to a political subdivision of the state or to any agency or instrumentality thereof whose ultimate primary use will be for a private commercial or industrial enterprise shall be considered public property or otherwise exempt from an ad valorem property tax pursuant to Article VI, Section 18 or Article VII, Section 21 of the Constitution of

Coding: Words which are ~~struck through~~ are deletions from existing law; words in **boldface type and underscored** are additions.

Louisiana unless the ad valorem property tax recipient body which levied the tax adopts a resolution approving the transfer.

B. Before such resolution is adopted, a public hearing shall be held by the tax recipient body to discuss the proposed approval in accordance with the open meetings law and, in addition to any other requirements of the open meetings law, public notice of the time, place, and subject matter of such hearing shall be published on two separate days no less than thirty days before the public hearing. Such public notice shall be published in the official journal of the political subdivision, and another newspaper with a larger circulation within the parish other than the official journal of the political subdivision, if there is one.

C. The provisions of this Section shall not apply to any property, whether such property is movable or immovable, owned, leased, occupied or used by any company, or any affiliate thereof, if such company entered into a cooperative endeavor agreement with the state and parish prior to July 1, 2011, regardless of whether such property interest, whether ownership, leasehold, license or other right to occupy or use, is acquired prior or subsequent to such date. The term "affiliate" as used in this Section shall mean an entity that is related to a company, directly or indirectly, by means of the ownership, or of the common ownership, of an equity or membership interest by either party.

Section 2. This Act shall become effective on July 1, 2011; if vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on July 1, 2011, or on the day following such approval by the legislature, whichever is later.

The original instrument was prepared by Danielle Doiron. The following digest, which does not constitute a part of the legislative instrument, was prepared by Riley Boudreaux.

DIGEST

Amedee (SB 54)

Proposed law prohibits property transferred to the state or to a political subdivision or to any agency or instrumentality thereof whose ultimate primary use will be for a private commercial or industrial enterprise from being considered public property or otherwise exempt from an ad valorem property tax in any parish with a population between 21,000 and 22,200 unless the tax recipient body which levied the tax adopts a resolution approving the transfer.

Inapplicable to property of companies which entered into a cooperative endeavor agreement with the state and parish prior to July 1, 2011, regardless of whether the property interest, whether ownership, leasehold, license or other right to occupy or use, is acquired prior or subsequent to such date.

Requires a public hearing to be held by the tax recipient body to discuss the proposed approval. Public notice of the time, place, and subject matter of the hearing must be published on two separate days no less than 30 days before the public hearing. Publication must be in the official journal of the political subdivision, and another newspaper with a larger circulation within the parish other than the official journal of the political subdivision, if there is one.

Effective July 1, 2011.

(Adds R.S. 47:1713)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the original bill.

1. Authorizes each tax recipient body in the parish to determine if it approves the transfer and considers the transferred property public property and exempt from the tax levied by the tax recipient.

2. Makes the proposed law inapplicable to property of companies which entered into a cooperative endeavor agreement with the state and parish prior to July 1, 2011.