

Regular Session, 2011

SENATE BILL NO. 54

BY SENATOR AMEDEE

TAX/AD VALOREM. Requires certain public notice and hearings before agreements are entered into which have the effect of making property exempt from ad valorem taxes in certain parishes. (7/1/11)

AN ACT

To enact R.S. 47:1713, relative to ad valorem property tax; to require certain public notice and hearing requirements before agreements are entered into which have the effect of making property exempt for the tax of certain tax authorities in certain parishes; to impose requirements for disbursement of in lieu taxes received from transferred property 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. Requirements for hearing on entering agreements regarding ad valorem property taxes in certain parishes; requirements for disbursement of in lieu taxes received from transferred property**  
**A.(1) Notwithstanding any other law to the contrary, and except as provided in Paragraph (2) of this Subsection, before any governmental entity in any parish with a population between twenty-one thousand and twenty-two thousand two hundred according to the most recent federal decennial census enters into a cooperative endeavor or other agreement which would have the effect of making any private property, movable or immovable, ad valorem tax**

1 exempt public property or otherwise exempt from an ad valorem property tax,  
2 the governing authority of the governmental entity shall approve the proposed  
3 agreement at a public hearing which shall be held in accordance with the open  
4 meetings law and, in addition to any other requirements of the open meetings  
5 law, public notice of the time, place, and subject matter of such hearing shall be  
6 published on two separate days no less than thirty days before the public  
7 hearing. Such public notice shall be published in the official journal of the  
8 governmental entity, and another newspaper with a larger circulation within  
9 the parish other than the official journal of the governmental entity, if there is  
10 one.

11 (2) The provisions of this Subsection shall not apply to any cooperative  
12 endeavor agreement with the state and parish entered into prior to July 1, 2011.

13 B. Notwithstanding any other law to the contrary or the terms of any  
14 cooperative endeavor or other agreement to the contrary, in any parish with a  
15 population between twenty-one thousand and twenty-two thousand two  
16 hundred according to the most recent federal decennial census, any payments  
17 received by any governmental entity from or on behalf of an individual or other  
18 private entity on or after July 1, 2011 which are in lieu of ad valorem property  
19 taxes which would have been due on property, movable or immovable,  
20 transferred by a government entity to the individual or other private entity as  
21 owner, leaseholder, licensee, or holder of any other right to occupy or use, shall  
22 be promptly distributed by the receiving governmental entity to each ad  
23 valorem property tax recipient body which has levied a tax on the property  
24 transferred in the same proportion that the millages levied by the tax recipient  
25 body bears to the total millages levied by all the tax recipient bodies.

26 Section 2. This Act shall become effective on July 1, 2011; if vetoed by the governor  
27 and subsequently approved by the legislature, this Act shall become effective on July 1,  
28 2011, or on the day following such approval by the legislature, whichever is later.

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

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#### DIGEST

Amedee (SB 54)

Proposed law requires the governing authority of any governmental entity in any parish with a population between 21,000 and 22,200, according to the most recent federal decennial census, before it enters into a cooperative endeavor or other agreement which would have the effect of making any private property, movable or immovable, ad valorem tax exempt public property or otherwise exempt from an ad valorem property tax, to approve the proposed agreement at a public hearing.

Proposed law further requires public notice the second of which is of the time, place, and subject matter of the hearing to be published on two separate days not less than 30 days before the public hearing. Publication must be in the official journal of the governmental entity, and another newspaper with a larger circulation within the parish other than the official journal of the governmental entity, if there is one.

Proposed law exempts any cooperative endeavor agreement with the state and parish entered into prior to July 1, 2011 from the provisions of this Act.

Proposed law requires, except as provided in any cooperative endeavor agreement or other agreements to the contrary, any payments received by any governmental entity from or on behalf of an individual or other private entity on or after July 1, 2011 which are in lieu of ad valorem property taxes which would have been due on property, movable or immovable, transferred by a government entity to the individual or other private entity as owner, leaseholder, licensee, or holder of any other right to occupy or use, be promptly distributed by the receiving governmental entity to each ad valorem property tax recipient body which has levied a tax on the property transferred in the same proportion that the millages levied by the tax recipient body bears to the total millages levied by all the tax recipient bodies.

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.

##### Senate Floor Amendments to engrossed bill.

1. Changes from authorizing the prohibition of certain property from being considered exempt from ad valorem property tax to requiring public notice and hearing before agreements are entered into which have the effect of making property exempt from ad valorem tax.