

Regular Session, 2013

SENATE BILL NO. 258

BY SENATOR CLAITOR

TAX/TAXATION. Authorizes the Department of Revenue to appeal to the Louisiana Tax Commission regarding the value of an assessment of inventory for purposes of the inventory tax credit. (gov sig)

AN ACT

To enact R.S. 47:6006(D), relative to tax credits; to authorize the Department of Revenue to appeal to the Louisiana Tax Commission under certain circumstances; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:6006(D) is hereby enacted to read as follows:

§6006. Tax credits for local inventory taxes paid

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**D. If the Department of Revenue has reason to believe that the assessment upon which the ad valorem tax on inventory or natural gas was paid and for which a credit was claimed was not based upon fair market value, the department may appeal the assessment to the Louisiana Tax Commission for a redetermination of the assessment. If the commission determines that the assessment was more than five percent above fair market value, the commission shall authorize and direct the assessor to correct the assessment on the tax roll and the Department of Revenue shall reduce the tax credit accordingly.**

Section 2. This Act shall become effective upon signature by the governor or, if not

1 signed by the governor, upon expiration of the time for bills to become law without signature  
2 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
3 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
4 effective on the day following such approval.

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

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#### DIGEST

Present law authorizes an income or corporation franchise tax credit for ad valorem taxes paid to political subdivisions on inventory held by manufacturers, distributors, and retailers and on natural gas held, used, or consumed in providing natural gas storage services or operating natural gas storage facilities.

Proposed law authorizes the Department of Revenue to appeal to the Louisiana Tax Commission for a redetermination of an assessment upon which a tax credit was claimed if the department has reason to believe that the assessment was not based upon fair market value. If the commission determines that the assessment was more than 5% above fair market value, the commission must direct the assessor to correct the assessment on the tax roll and the department must reduce the tax credit accordingly.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Adds R.S. 47:6006(D))