

2016 Regular Session

SENATE BILL NO. 464

BY SENATOR MILLS

LOCAL FINANCE. Authorizes the governing authority of certain municipalities to use proceeds of an additional sales tax as needed. (gov sig)

AN ACT

To amend and reenact R.S. 47:338.1(D)(1) and to enact R.S. 47:338.1(E), relative to sales tax of political subdivisions; to provide for the use of the tax proceeds of a sales tax district in certain municipalities; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:338.1 (D)(1) is hereby amend and reenacted and R.S. 47:338.1(E) is hereby enacted to read as follows:

§338.1. Tax authorized; rate; sales tax districts; certain municipalities

* * *

D.(1) Notwithstanding any other provision of law to the contrary and in addition to any other authority granted by law, the governing authorities of the municipalities of Breaux Bridge, St. Martinville, ~~and Youngsville,~~ and the governing authorities of municipalities having a population in excess of thirty thousand five hundred but not more than thirty thousand seven hundred persons, based on the latest federal decennial census may create sales tax districts consisting of a portion of their respective municipalities. Each sales tax district, as a political subdivision of the state, is authorized to levy and collect an additional one

1 percent sales and use tax upon the sale at retail, the use, the lease or rental, the
2 consumption, and the storage for use or consumption of tangible personal property
3 and on sales of services, as defined by law, if approved by a majority of the electors
4 of the district voting thereon in an election held for that purpose. The governing
5 authority of a sales tax district shall be the governing authority of the municipality,
6 the domicile of the sales tax district shall be the regular meeting place of the
7 municipality, and the officers of the sales tax district shall be officers of the
8 municipality.

9 * * *

10 E.(1) Notwithstanding any other provision of law to the contrary and in
11 addition to any other authority granted by law, the governing authority of a
12 municipality having a population in excess of eight thousand one hundred thirty
13 but not more than eight thousand one hundred forty-five persons, based on the
14 latest federal decennial census may use the proceeds of the additional sales tax
15 levied pursuant to the provisions of Paragraph (D)(1) of this Section under the
16 terms and provisions of an intergovernmental agreement between the
17 municipality and the sales tax district as follows:

18 (a) Fifty percent of the proceeds shall be used annually for the
19 municipality's operating budget as approved by the adoption of an ordinance
20 of the governing authority of the municipality, by a two-thirds vote.

21 (b) Fifty percent of the proceeds shall be expended on new construction
22 of infrastructure within the municipality or substantial improvements of
23 existing infrastructure within the municipality according to a Master Plan for
24 the Construction of Municipal Infrastructure, which shall list the specific
25 infrastructure construction or improvement projects to be funded through the
26 tax proceeds, including funding into bonds for such purposes in the manner
27 provided by state law, and which shall be adopted by the governing authority
28 of the municipality in the manner provided for in this Subparagraph.

29 (2) The provisions of this Subsection shall become effective on July 1,

1 **2016 and shall remain effective through June 30, 2019.**

2 Section 2. This Act shall become effective upon signature by the governor or, if not
3 signed by the governor, upon expiration of the time for bills to become law without signature
4 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
5 vetoed by the governor and subsequently approved by the legislature, this Act shall become
6 effective on the day following such approval.

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

DIGEST

SB 464 Engrossed

2016 Regular Session

Mills

Present law provides for the governing authorities of the municipalities of Breaux Bridge, St. Martinville, and Youngsville to create sales tax districts consisting of a portion of their respective municipalities.

Present law authorizes each sales tax district to levy and collect an additional one percent sales and use tax upon the sale at retail, the use, the lease or rental, the consumption, and the storage for use or consumption of tangible personal property and on sales of services, if approved by a majority of the electors of the district voting thereon in an election held for that purpose.

Proposed law retains present law and provides for municipalities having a population in excess of 30,500 but not more than 30,700, based on the latest federal decennial census to create sales tax districts consisting of a portion of their respective municipalities. Proposed law further provides for the districts to levy and collect an additional one percent sales and use tax upon the sale at retail, the use, the lease or rental, the consumption, and the storage for use or consumption of tangible personal property and on sales of services, if approved by a majority of the electors of the district voting thereon in an election held for that purpose.

Proposed law authorizes the governing authority of a municipality having a population in excess of 8,130 but not more than 8,145, based on the latest federal decennial census to use the proceeds of the additional sales tax as follows:

- (1) 50% of the proceeds is to be used for the municipality's operating budget as approved by the adoption of an ordinance of the governing authority of the municipality, by a two-thirds vote.
- (2) 50% of the proceeds is to be expended on new construction of infrastructure within the municipality or substantial improvements of existing infrastructure within the municipality according to a Master Plan for the Construction of Municipal Infrastructure, which shall list the specific infrastructure construction or improvement projects to be funded through the tax proceeds, including funding into bonds for such purposes in the manner provided by state law, and which shall be adopted by the governing authority of the municipality in the manner provided for in this Item.

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

(Amends R.S. 47:338.1(D)(1); adds R.S. 47:338.1(E))