

Regular Session, 2014

HOUSE BILL NO. 1097

BY REPRESENTATIVE NORTON

TAX/SALES-USE, LOCAL: Provides relative to the levy of an additional sales and use tax within the city of Shreveport

1 AN ACT

2 To amend and reenact R.S. 47:338.16, relative to the city of Shreveport; to provide relative
3 to an additional sales and use tax imposed within the city; to provide relative to the
4 power granted to the governing authority of the city to impose and renew such tax;
5 to remove requirement that the governing authority adopt a plan specifying the
6 purposes of such tax prior to submitting a proposition to the voters; to remove
7 provisions that place duration limits on the imposition of the tax and remove
8 provisions relative to the renewal of the tax; to provide relative to the tax being
9 levied on the effective date of the Act; and to provide for related matters.

10 Notice of intention to introduce this Act has been published
11 as provided by Article III, Section 13 of the Constitution of
12 Louisiana.

13 Be it enacted by the Legislature of Louisiana:

14 Section 1. R.S. 47:338.16 is hereby amended and reenacted to read as follows:

15 §338.16. City of Shreveport; authority to levy additional sales and use tax

16 A. The governing authority of the city of Shreveport may levy and collect
17 an additional sales and use tax not in excess of one-quarter of one percent within the
18 corporate limits of the city ~~for an initial term not to exceed four years from and after~~
19 ~~the date such additional tax is first levied, and for such additional terms as provided~~
20 ~~for in Subsection F of this Section, all as provided for in this Section.~~

1 B. The tax authorized by this Section shall be in addition to all other taxes
2 which the city is authorized to levy and, pursuant to Article VI, Section 29(B) of the
3 Constitution of Louisiana, shall not be subject to the combined rate limitation
4 established in Article VI, Section 29(A) of the Constitution of Louisiana, nor to the
5 rate limitations established by R.S. 47:338.1 or ~~R.S. 47:338.54~~, nor to any rate
6 limitation established in any other authority. The authority granted in this Section
7 shall not limit any prior taxing authority granted to the city or any other political
8 subdivision by any other provision of law, including any authority granted to any
9 other political subdivision to exceed the rate limitations cited in this Subsection.

10 C.(1) Such sales and use tax shall be imposed by ordinance of the governing
11 authority of the city and shall be levied upon the sale at retail, the use, lease, or
12 rental, the consumption, and the storage for use or consumption of tangible personal
13 property and on sales of services, all as defined in Chapter 2 of this Subtitle, within
14 the corporate limits of the city of Shreveport ~~for an initial term not to exceed four~~
15 ~~years from and after the date such additional tax is first levied, and for such~~
16 ~~additional terms as provided for in Subsection F of this Section, all as provided for~~
17 ~~in this Section.~~

18 (2) ~~However, the~~ The ordinance imposing the tax ~~for each term~~ shall be
19 adopted only if the question of the imposition of the tax is approved by a majority
20 of the qualified electors voting on the proposition at an election held for that purpose
21 and conducted in accordance with the Louisiana Election Code.

22 (3) ~~The governing authority of the city of Shreveport may call the election~~
23 ~~and submit a proposition to the voters for the levy of the tax for each of the terms~~
24 ~~provided for in Subsection F of this Section only after it has adopted a plan or plans,~~
25 ~~by resolution or ordinance, specifying the purposes for which the additional sales and~~
26 ~~use tax will be used. Any such plan shall include:~~

27 (a) ~~An estimate of the annual and aggregate cost of the salaries, benefits,~~
28 ~~equipment, and personnel to be funded by the additional sales and use tax.~~

1 ~~(b) An estimate of the rate of the sales and use tax, not to exceed one-quarter~~
2 ~~of one percent, necessary to be levied in each year to fund such estimated cost of~~
3 ~~salaries, benefits, equipment, and personnel.~~

4 ~~(4)(a) If the imposition of the tax is not approved by a majority of such~~
5 ~~electors at any election provided for in this Section, then the provisions of this~~
6 ~~Section shall be null and void and the tax herein shall not be levied or collected.~~

7 ~~(b) If the tax is approved it shall be levied for the initial term and for~~
8 ~~subsequent terms which shall not exceed the terms provided for in Subsection F of~~
9 ~~this Section and shall not be levied thereafter.~~

10 D. The sales and use tax ~~herein~~ authorized in this Section shall be collected
11 at the same time and in the same manner as set forth in Chapter 2 of this Subtitle.

12 E.(1) The proceeds of the tax shall be used for salaries, benefits, equipment
13 and personnel for the fire and police departments of the city of Shreveport.

14 (2) The proposition ~~or propositions~~ shall state the purposes for which the tax
15 is to be dedicated and the proceeds from ~~said~~ the tax shall be expended only in
16 accordance with the proposition ~~or propositions~~ approved by the electors at the
17 election authorizing such tax.

18 ~~F.(1) Any tax imposed under the provisions of this Section may be renewed~~
19 ~~after its initial term but such renewal shall be for a term not to exceed six years from~~
20 ~~and after the date such tax is renewed, and thereafter for terms not to exceed five~~
21 ~~years each from and after the date such tax is renewed.~~

22 ~~(2) The ordinance imposing the renewed tax shall be adopted only if the~~
23 ~~question of the imposition of the renewal is approved by a majority of the qualified~~
24 ~~electors voting on the proposition at an election held for that purpose and conducted~~
25 ~~in accordance with the Louisiana Election Code in 2006 prior to the expiration of the~~
26 ~~initial term of the original tax imposed under this Section.~~

27 ~~(3) If the imposition of the renewal is not approved by a majority of such~~
28 ~~electors at the election provided for in Paragraph (2) of this Subsection, then the~~

1 ~~provisions of this Subsection shall be null and void and the renewal of the tax herein~~
2 ~~shall not be levied or collected.~~

3 Section 2. The provisions of this Act shall have no effect on the additional sales and
4 use tax being imposed within the city of Shreveport on the effective date of this Act that was
5 approved by the voters in the city of Shreveport at an election held on December 8, 2012.
6 The governing authority of the city shall continue to impose the additional sales and use tax
7 as provided by law until such time as it expires as provided in the proposition. The
8 governing authority of the city may then impose a tax as provided in this Act if the
9 imposition of the tax has been approved by the city's voters as provided in this Act.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Norton

HB No. 1097

Abstract: Provides relative to the authority granted to the city of Shreveport to impose and renew an additional sales and use tax.

Present constitution authorizes any school board or local governmental subdivision (parish or municipality), subject to voter approval, to levy a sales and use tax provided that the rate of all sales and use taxes collected in a parish or municipality, exclusive of state sales and use taxes, does not exceed 3%. Authorizes the legislature to authorize the levy and collection of additional sales and use taxes by school boards or local governmental subdivisions, which additional taxes must also be approved by the voters.

Present law (R.S. 47:338.1) authorizes any municipality, subject to voter approval, to levy sales and use taxes not to exceed 2-1/2%. Excludes municipalities in the parishes of Catahoula, LaSalle, Caldwell, Franklin, and Tensas from authority to levy 1% of such 2-1/2%.

Present law (R.S. 47:338.54) authorizes any parish or school board, subject to voter approval, to levy an additional sales and use tax not to exceed a total of 5% when combined with the rate of all other sales and use taxes (excluding state and law enforcement district taxes).

Present law authorizes the governing authority of the city of Shreveport, subject to voter approval, to levy an additional sales and use tax not to exceed .25% for an initial term not to exceed four years. Provides that the tax shall be in addition to all other authorized taxes and shall not be subject to the rate limitations established by present constitution or present law. Further provides that the authority granted in present law shall not limit prior taxing authority granted to the city or any other political subdivision. Present law requires that the proceeds of the tax be used for salaries, benefits, equipment, and personnel for the fire and police departments of the city of Shreveport.

Proposed law retains present law except to remove the limitation on the duration of the tax.

Present law provides for renewal of the tax for a term of six years and then for five-year terms after the expiration of the six-year term. Proposed law removes present law.

Present law authorizes the governing authority of the city of Shreveport to call the election and submit a proposition to the voters for the levy of the additional sales and use tax for each of the terms only after it has adopted a plan(s) specifying the purposes for which the tax will be used. Requires that all plans include an estimate of the annual and aggregate cost of the salaries, benefits, equipment, and personnel to be funded by the additional tax and an estimate of the rate of the sales and use tax necessary to be levied in each year to fund the estimated cost of salaries, benefits, equipment, and personnel. Provides that if the imposition or renewal of the tax is not approved by a majority of electors at any election provided for in present law, then the provisions of present law shall be null and void and the tax shall not be levied or collected. Proposed law removes present law.

Proposed law provides that provisions of proposed law shall have no effect on the additional sales and use tax being imposed within the city of Shreveport on the effective date of proposed law that was approved by the voters in the city at an election held on Dec. 8, 2012. Requires that the governing authority of the city continue to impose the additional sales and use tax as provided by law until it expires as provided in the proposition. Authorizes the governing authority of the city to then impose a tax as provided in proposed law if the imposition of the tax has been approved by the city's voters as provided in proposed law.

(Amends R.S. 47:338.16)