HLS 21RS-152 ORIGINAL

2021 Regular Session

HOUSE BILL NO. 202

20

BY REPRESENTATIVES BISHOP, DEVILLIER, AND IVEY

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

LEGISLATIVE POWERS: (Constitutional Amendment) Provides for an increased vote requirement when enacting certain new tax incentives

1 A JOINT RESOLUTION 2 Proposing to add Article VII, Section 2.4 of the Constitution of Louisiana, relative to 3 legislative authority; to provide for the vote requirement to enact a new tax 4 exemption, exclusion, deduction, rebate, or credit; to provide for definitions; to 5 provide for effectiveness; to provide for certain requirements and limitations; to provide for submission of the proposed amendment to the electors; and to provide 6 7 for related matters. 8 Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members 9 elected to each house concurring, that there shall be submitted to the electors of the state of 10 Louisiana, for their approval or rejection in the manner provided by law, a proposal to add 11 Article 7, Section 2.4 of the Constitution of Louisiana, to read as follows: 12 §2.4. Tax Incentives; Vote Requirement; Limitation Section 2.4.(A) Beginning January 1, 2023, the enactment of a new tax 13 14 exemption, exclusion, deduction, rebate, or credit shall require a favorable vote of 15 two-thirds of the elected members of each house of the legislature. 16 (B)(1) Beginning January 1, 2023, any newly enacted tax exemption, 17 exclusion, deduction, rebate, or credit, hereinafter referred to as "tax incentive", shall expire no later than four years from enactment. However, the legislature may 18 19 extend, for a period not to exceed four years, the effectiveness of any tax incentive

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enacted on or after January 1, 2023, or any existing tax incentive having a

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1	termination date on or after January 1, 2023. Nothing in this constitution shall
2	prohibit the legislature from enacting more than one extension. The extension of the
3	effectiveness of a tax incentive shall be enacted through a separate instrument
4	requiring a favorable vote of two-thirds of each house of the legislature.
5	(2) For the purposes of this Paragraph, "newly enacted tax exemption,
6	exclusion, deduction, rebate or credit" shall mean any tax exemption, exclusion,
7	deduction, rebate, or credit enacted on or after January 1, 2023.
8	Section 2. Be it further resolved that this proposed amendment shall be submitted
9	to the electors of the state of Louisiana at the statewide election to be held on November 8,
0	2022.
1	Section 3. Be it further resolved that on the official ballot to be used at the election,
12	there shall be printed a proposition, upon which the electors of the state shall be permitted
13	to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as
4	follows:
15	Do you support an amendment to require the favorable vote of two-thirds of
16	the elected members of each house of the legislature to enact any new tax
17	exemption, exclusion, deduction, rebate, or credit and to require any newly-
18	enacted tax exemption, exclusion, deduction, rebate, or credit to expire
19	within four years unless extended? (January 1, 2023) (Adds Article 7,
20	Section 2.4)

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)]

HB 202 Original

2021 Regular Session

Bishop

Abstract: Requires a favorable vote of two-thirds of each house of the legislature to enact a new tax exemption, exclusion, deduction, rebate or credit and requires all new tax exemptions, exclusion, deductions, rebates or credits to expire within four years of enactment unless extended.

<u>Present constitution</u> requires a favorable vote of two-thirds of the elected members of each house of the legislature to levy a new tax, to increase an existing tax, or to repeal an existing tax exemption.

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Beginning Jan. 1, 2023, <u>proposed constitutional amendment</u> requires a favorable vote of two-thirds of the elected members of each house of the legislature to enact a new tax exemption, exclusion, deduction, rebate, or credit (tax incentive).

Beginning Jan. 1, 2023, <u>proposed constitutional amendment</u> requires any newly enacted tax incentive to expire no later than four years from enactment.

<u>Proposed constitutional amendment</u> provides the legislature may extend the effectiveness of any tax incentive enacted on or after Jan. 1, 2023, or any tax incentive having a termination date on or after Jan. 1, 2023, for increments lasting no longer than four years.

<u>Proposed constitutional amendment</u> requires the extension of effectiveness be enacted through a separate instrument requiring a favorable vote of two-thirds of each house of the legislature.

Provides for submission of the proposed amendment to the voters at the statewide election to be held Nov. 8, 2022.

(Adds Const. Art. VII, §2.4)