

2015 Regular Session

HOUSE BILL NO. 236

BY REPRESENTATIVE SEABAUGH

TAX/AD VALOREM TAX: (Constitutional Amendment) Exempts items constituting business inventory from ad valorem property tax

1 A JOINT RESOLUTION

2 Proposing to add Article VII, Section 21(C)(20) of the Constitution of Louisiana, to provide
3 with respect to ad valorem property tax; to exempt certain items constituting
4 business inventory from ad valorem property tax; to provide for effectiveness; to
5 provide for submission of the proposed amendment to the electors; and to provide
6 for related matters.

7 Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members
8 elected to each house concurring, that there shall be submitted to the electors of the state of
9 Louisiana, for their approval or rejection in the manner provided by law, a proposal to add
10 Article VII, Section 21(C)(20) of the Constitution of Louisiana, to read as follows:

11 §21. Other Property Exemptions

12 Section 21. In addition to the homestead exemption provided for in Section
13 20 of this Article, the following property and no other shall be exempt from ad
14 valorem taxation:

15 * * *

16 (C)

17 * * *

18 (20) Items constituting business inventory, including goods which are held
19 for sale, goods in production or for ultimate consumption in the production of goods
20 or services for sale, and goods utilized in marketing and distribution activities.

21 * * *

1 Section 2. Be it further resolved that the provisions of the amendment contained in
2 this Joint Resolution shall be applicable to taxable years beginning on and after January 1,
3 2015.

4 Section 3. Be it further resolved that this proposed amendment shall be submitted
5 to the electors of the state of Louisiana at the statewide election to be held on October 24,
6 2015.

7 Section 4. Be it further resolved that on the official ballot to be used at the election,
8 there shall be printed a proposition, upon which the electors of the state shall be permitted
9 to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as
10 follows:

11 Do you support an amendment to exempt items constituting business
12 inventory from ad valorem property tax for all tax years beginning on and
13 after January 1, 2015? (January 1, 2016) (Adds Article VII, Section
14 21(C)(20))

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 236 Original

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Seabaugh

Abstract: Exempts items constituting business inventory from ad valorem property tax.

Present constitution authorizes local governments to impose an ad valorem property tax upon movable and immovable property within their jurisdictions.

Proposed constitution exempts from ad valorem property tax items constituting business inventory. Such items include goods which are held for sale, goods in production or for ultimate consumption in the production of goods or services for sale, and goods utilized in marketing and distribution activities.

Applicable to all tax years beginning on and after Jan. 1, 2015.

Provides for submission of the proposed amendment to the voters at the statewide election to be held Oct. 24, 2015.

(Adds Const. Art. VII, §21(C)(20))