

1 §21. Other Property Exemptions

2 Section 21. In addition to the homestead exemption provided for in Section
3 20 of this Article, the following property and no other shall be exempt from ad
4 valorem taxation:

5 * * *

6 (F) Notwithstanding any contrary provision of this Section, ~~the State Board~~
7 ~~of Commerce and Industry or its successor, with the approval of the governor, may~~
8 ~~enter into contracts for the~~ there is hereby authorized a standard, local, and executive
9 exemption from ad valorem taxes of a new manufacturing establishment or an
10 addition to an existing manufacturing establishment, on such terms and conditions
11 as the board, with the approval of the governor, deems in the best interest of the
12 state: for capital investment projects as follows:

13 (1) The standard exemption shall be for an initial a term of no more than five
14 eight calendar years; and may be renewed for an additional five years shall provide
15 for an ad valorem tax exemption of eighty percent of the property taxes of the capital
16 investment project. The granting of a standard exemption shall be reviewed by the
17 Board of Commerce and Industry, or its successor as provided by law, and no
18 additional approval is required for the granting of this exemption. Enactment of any
19 law to administer this exemption shall require a favorable vote of two-thirds of the
20 elected members of each house of the legislature.

21 (2) The local exemption shall be for a term of no more than fifteen years and
22 may provide for an ad valorem tax exemption of up to one hundred percent of the
23 property taxes of the capital investment project. The granting of a local exemption
24 shall require the approval of each political subdivision in whose district the project
25 is to be located. Enactment of any law to administer this exemption shall require a
26 favorable vote of two-thirds of the elected members of each house of the legislature.

27 (3) The executive exemption shall be for a term determined by the governor
28 and may provide for an ad valorem tax exemption of up to one hundred percent of
29 the property taxes of the capital investment project. The granting of an executive

1 exemption shall require approval from the governor. Enactment of any law to
2 administer this exemption shall require a favorable vote of two-thirds of the elected
3 members of each house of the legislature.

4 (4) All property exempted shall be listed on the assessment rolls and
5 submitted to the Louisiana Tax Commission or its successor, but no taxes shall be
6 collected thereon during the period of exemption.

7 ~~The terms "manufacturing establishment" and "addition" as used herein mean~~
8 ~~a new plant or establishment or an addition or additions to any existing plant or~~
9 ~~establishment which engages in the business of working raw materials into wares~~
10 ~~suitable for use or which gives new shapes, qualities or combinations to matter which~~
11 ~~already has gone through some artificial process.~~

12 * * *

13 (O) Non-residential property subject to a cooperative endeavor agreement,
14 as provided by law and this constitution, between the owner and one or more taxing
15 authorities which agreement requires the property owner to make payments in lieu
16 of taxes. Non-residential property eligible for this exemption shall be established by
17 law.

18 (1) The exemption authorized under this Paragraph shall be to the extent
19 agreed to and provided for in the cooperative endeavor agreement. All property
20 made part of the cooperative endeavor agreement shall be listed on the assessment
21 rolls and submitted to the Louisiana Tax Commission.

22 (2) Enactment of any law to implement this Paragraph and any amendment
23 to that law shall require a two-thirds vote of the elected members of each house of
24 the legislature.

25 Section 2. Be it further resolved that the provisions of the amendment contained in
26 this Joint Resolution shall become effective on January 1, 2021.

27 Section 3. Be it further resolved that this proposed amendment shall be submitted
28 to the electors of the state of Louisiana at the statewide election to be held on November 3,
29 2020.

- (3) An executive exemption for a term determined by the governor for up to 100% of its property taxes. This exemption requires approval of the governor.

Proposed constitutional amendment also requires that any law enacted to administer any of the new exemptions requires a favorable vote of two-thirds of the elected members of each house of the legislature.

Proposed constitutional amendment retains present constitution requirement related to listing property on tax assessment rolls and deletes various definitions.

Present constitution authorizes the imposition of ad valorem property taxes by local governments, school boards, and other special districts.

Present constitution establishes an exclusive list of ad valorem tax exemptions.

Proposed constitutional amendment retains present constitution but adds an exemption for non-residential property subject to a cooperative endeavor agreement requiring the property owner to make payments in lieu of the ad valorem taxes imposed by a taxing authority party to the agreement. The extent of the exemption shall be as provided for in the agreement.

Proposed constitutional amendment provides the specific property eligible for this exemption shall be established in law.

Proposed constitutional amendment requires that any law enacted to implement this payment in lieu of taxes program will require a two-thirds vote of both houses of the legislature.

Proposed constitutional amendment requires that exempt properties be listed on the assessment rolls and that information concerning those properties be submitted to the La. Tax Commission.

Provides for submission of the proposed amendment to the voters at the statewide election to be held Nov. 3, 2020.

Effective Jan. 1, 2021

(Amends Const. Art. VII, §21(F); Adds Const. Art. VII, §21(O))