SLS 18RS-608 **ORIGINAL** 

2018 Regular Session

SENATE BILL NO. 179

BY SENATOR WALSWORTH

TAX/AD VALOREM. Constitutional amendment to authorize local taxing authorities to enter into cooperative endeavor agreements to negotiate stipulated tax payments of ad valorem taxes. (2/3-CA13s1(A))

1	A JOINT RESOLUTION
2	Proposing to add Article VII, Section 21(O) of the Constitution of Louisiana, relative to ad
3	valorem taxes; to authorize local government taxing authorities to enter into
4	cooperative endeavor agreements with owners of industrial or commercial property
5	that provide for stipulated tax payments; to provide for a maximum term for
6	cooperative endeavor agreements; and to specify an election for submission of the
7	proposition to electors and provide a ballot proposition.
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, for
10	their approval or rejection in the manner provided by law, a proposal to add Article VII,
11	Section 21(O) of the Constitution of Louisiana, to read as follows:
12	§21. Other Property Exemptions
13	Section 21. In addition to the homestead exemption provided for in Section
14	20 of this Article, the following property and no other shall be exempt from ad
15	valorem taxation:
16	* * *
17	O. Notwithstanding any provision in this constitution to the contrary, for

1	the public purpose of promoting and encouraging economic development within
2	any parish, one or more local government taxing authorities within a parish
3	may enter into a joint or separate cooperative endeavor agreement, with any
4	owner of immoveable property located within the parish and on which new or
5	expanded manufacturing, industrial, or other commercial operations are
6	conducted or will be conducted. The agreement may provide for negotiated,
7	stipulated tax payments with respect to ad valorem taxes levied on the property
8	by any local taxing authority that is a party to the cooperative endeavor
9	agreement. Any cooperative endeavor agreement authorized by this Paragraph
10	shall be for a term not to exceed forty years. Any property subject to a
11	cooperative endeavor agreement pursuant to this Paragraph shall be exempt
12	from ad valorem taxes with respect to the local taxing authorities that are
13	parties to the agreement except as provided for in the agreement.
14	Section 2. Be it further resolved that this proposed amendment shall be submitted
15	to the electors of the state of Louisiana at the statewide election to be held on November 6,
16	2018.
17	Section 3. Be it further resolved that on the official ballot to be used at said election
18	there shall be printed a proposition, upon which the electors of the state shall be permitted
19	to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as
20	follows:
21	Do you support an amendment to allow local taxing authorities to enter into
22	agreements with owners of industrial or commercial property to provide for
23	negotiated tax payments in lieu of other ad valorem tax?
24	(Adds Article VII, Section 21(O))

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

DIGEST
SB 179 Original 2018 Regular Session

Walsworth

SD 177 Originar

<u>Present constitution</u> provides the exclusive list of exemptions from ad valorem taxation.

Proposed constitutional amendment adds a new exemption that authorizes local ad valorem

Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

taxing authorities to enter into agreements with owners of property that will be used or is being used for manufacturing, industrial, or commercial purposes that will provide the taxing authority with a stipulated ad valorem tax payment in lieu of any other ad valorem tax that would otherwise be due on the property.

<u>Proposed constitutional amendment</u> provides that these agreements for stipulated tax payments cannot have a term of greater than 40 years.

Specifies submission of the amendment to the voters at the statewide election to be held on November 6, 2018.

(Adds Const. Art. VII, Sec. 21(O))