

Regular Session, 2012

SENATE BILL NO. 331

BY SENATORS RISER AND ALARIO

TAX/AD VALOREM. Authorizes contracts of exemption from property tax for businesses.
(2/3 - CA13s1(A)) (1/1/13)

1 A JOINT RESOLUTION

2 Proposing to add Article VII, Section 21(L) of the Constitution of Louisiana, relative to
3 authorizing the granting of ad valorem tax exemption contracts to certain businesses;
4 to authorize the Board of Commerce and Industry to enter into contracts subject to
5 gubernatorial approval; to provide for certain contract limitations; to provide with
6 respect to the assessment and taxation of property subject to a contract; to require the
7 legislature establish a program for the granting of contracts; to provide for
8 effectiveness; and to specify an election for submission of the proposition to electors
9 and provide a ballot proposition.

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

14 §21. Other Property Exemptions

15 Section 21. In addition to the homestead exemption provided for in Section
16 20 of this Article, the following property and no other shall be exempt from ad
17 valorem taxation:

* * *

1
2 (L)(1) Notwithstanding any provision of this constitution to the contrary,
3 the State Board of Commerce and Industry or its successor may enter into a
4 contract for the exemption from ad valorem taxes of property owned by an
5 eligible business which is located in a parish which has agreed to participate in
6 a program for the granting of such contracts. The contract shall be subject to
7 approval by the governor and shall be made on such terms and conditions as
8 deemed by the board to be in the best interest of the state.

9 (2) The contract shall be for an initial term of no more than five
10 calendar years, subject to renewals as provided by law. The renewal of a
11 contract shall not be contingent upon the continued participation in the
12 program by a parish.

13 (3) All property exempted pursuant to a contract shall be listed on the
14 assessment rolls and submitted to the Louisiana Tax Commission or its
15 successor, but no taxes shall be collected thereon during the period of
16 exemption. However, the exemption shall in no way affect or impair the
17 security of any existing bonds payable from the proceeds of a tax.

18 (4) The legislature shall establish a program for the granting of
19 contracts, except for provisions governing the inclusion or exclusion of specific
20 taxes which shall be as provided in this Paragraph.

21 Section 2. Be it further resolved that this proposed amendment shall be submitted
22 to the electors of the state of Louisiana at the statewide election to be held on November 6,
23 2012.

24 Section 3. Be it further resolved that the provisions of the amendment contained in
25 this Joint Resolution shall become effective on January 1, 2013.

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

1 Do you support an amendment to authorize the granting of ad valorem tax
 2 exemption contracts by the Board of Commerce and Industry for businesses
 3 located in parishes which have chosen to participate in a program established
 4 for the granting of such contracts? (Effective January 1, 2013)
 5 (Adds Article VII, Section 21(L))

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

DIGEST

Proposed constitutional amendment authorizes the State Board of Commerce and Industry, with the approval of the governor to enter into a property tax exemption contract for property owned by an "eligible business" which is located in a parish which has agreed to participate in a program for the granting of such contracts. The renewal of the contract is not contingent upon the a parish's continued participation in the program.

The contract is for an initial term of no more than 5 calendar years. Renewals are to be as provided by law. The contract is subject to such terms and conditions as deemed by the board to be in the best interest of the state.

The legislature must establish a program for the granting of contracts, except for provisions which govern the inclusion or exclusion of specific taxes.

All property exempted pursuant to a contract must be listed on the assessment rolls and submitted to the Louisiana Tax Commission, but no taxes can be collected thereon during the period of exemption. However, the exemption can in no way affect or impair the security of any existing bonds payable from the proceeds of a tax.

Specifies submission of the amendment to the voters at the statewide election to be held on Nov. 6, 2012.

Effective January 1, 2013.

(Adds Article VII, Section 21(L))