
DIGEST

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HB 448 Original

2025 Regular Session

Mandie Landry

Abstract: Prohibits a nonprofit organization from receiving a property tax exemption on property used for commercial purposes regardless of whether those commercial purposes relate to the income-tax-exempt purposes of the organization.

Present constitution authorizes an exemption from ad valorem taxation for property owned by a nonprofit corporation or association (nonprofit) organized and operated exclusively for religious purposes, dedicated places of burial, charitable purposes, purposes relating to health and welfare, fraternal purposes, or educational purposes.

Present constitution establishes requirements that must be satisfied in order for a nonprofit organization to obtain an ad valorem property tax exemption, including a requirement that the property subject to the exemption cannot be owned, operated, leased, or used for commercial purposes unrelated to the tax-exempt purposes of the nonprofit.

Proposed constitutional amendment retains present constitution related to exceptions for nonprofit organizations but prohibits nonprofits, in all cases, from receiving property tax exemptions on property used for commercial purposes.

Provides for submission of the proposed amendment to the voters at the statewide election to be held Nov. 3, 2026.

Effective January 1, 2027, and applicable to all tax years beginning on or after Jan. 1, 2027.

(Amends Const. Art. VII, §21(B)(4)(a))