

2025 Regular Session

HOUSE BILL NO. 659

BY REPRESENTATIVE MANDIE LANDRY

TAX/AD VALOREM-EXEMPTION: Establishes a definition for purposes of a prohibition on ad valorem tax exemptions for certain property owned by nonprofit organizations

1 AN ACT

2 To amend and reenact R.S. 47:1708, relative to ad valorem taxation; to provide with respect  
3 to certain ad valorem tax exemptions; to provide for definitions; to provide for  
4 effectiveness; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 47:1708 is hereby amended and reenacted to read as follows:

7 §1708. Exemption for property leased to nonprofit organizations for the purpose of  
8 housing the homeless; prohibition on exemption of certain property used for  
9 commercial purposes; definitions

10 A. For the purpose of applying the exemption from ad valorem taxation  
11 provided in Article VII, ~~Section (21)(B)(1)(b)~~ Section 21(B)(1)(b) of the  
12 Constitution of Louisiana, "term of the lease" shall mean the total length of the lease,  
13 including renewals at the option of lessees, that the lessor obligates property to a  
14 nonprofit corporation or association for use solely as housing for the homeless.

15 B. For purposes of the prohibition on ad valorem tax exemptions provided  
16 in Article VII, Section 21(B)(4)(a) of the Constitution of Louisiana, "commercial  
17 purposes" shall mean the use of property for any business activity which generates  
18 revenues in excess of costs associated with conducting the activity.

19 Section 2. This Act shall take effect and become operative if and when the proposed  
20 amendment of Article VII of the Constitution of Louisiana contained in the Act which

- 1 originated as House Bill No. 448 of this 2025 Regular Session of the Legislature is adopted  
2 at a statewide election and becomes effective.
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## 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)]

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HB 659 Original

2025 Regular Session

Mandie Landry

**Abstract:** Defines "commercial purposes" with respect to a proposed prohibition on ad valorem tax exemptions for property of nonprofit organizations used for such purposes.

Proposed law operates in conjunction with a proposed constitutional amendment which would strictly prohibit nonprofit organizations from receiving ad valorem property tax exemptions on property used for commercial purposes.

Proposed law defines "commercial purposes", for purposes of proposed constitutional amendment, as the use of property for any business activity which generates revenues in excess of costs associated with conducting the activity.

Effective if and when the proposed amendment of Art. VII of the constitution of La. contained in the Act which originated as House Bill No. 448 of this 2025 RS is adopted at a statewide election and becomes effective.

(Amends R.S. 47:1708)