

1 taxes for the property of a new manufacturing establishment or an addition to an
2 existing manufacturing establishment, ~~on such terms and conditions as the board,~~
3 ~~with the approval of the governor, deems in the best interest of the state.~~

4 (1) The exemption shall be for an initial term of no more than five calendar
5 years, and may be renewed for an additional five years. All property exempted shall
6 be listed on the assessment rolls and submitted to the Louisiana Tax Commission or
7 its successor, but no taxes shall be collected thereon during the period of exemption.

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

13 (3) The legislature by law shall establish a program for implementation and
14 governance of this exemption, which may include requirements for application for
15 and approval of the granting of an exemption, and additional eligibility requirements
16 restricted to those that concern expectations for returns on investment for local
17 governments. Any law establishing a procedure concerning the authority to approve
18 an exemption, once enacted, shall not be changed except by specific legislative
19 instrument which receives a favorable vote of two-thirds of the elected members of
20 each house of the legislature.

21 * * *

22 Section 2. Be it further resolved that this proposed amendment shall be submitted
23 to the electors of the state of Louisiana at the statewide election to be held on October 14,
24 2017.

25 Section 3. Be it further resolved that on the official ballot to be used at the election,
26 there shall be printed a proposition, upon which the electors of the state shall be permitted
27 to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as
28 follows:

1 Do you support an amendment to require that the legislature provide by law
 2 for a program governing various aspects of the ad valorem tax exemption for
 3 new manufacturing establishments or additions to such an establishment, and
 4 to remove the specific constitutional authority for approval of these
 5 exemptions by the governor and the State Board of Commerce and Industry?
 6 (Amends Art. VII, Sec. 21(F))

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)]

HB 180 Engrossed

2017 Regular Session

Carmody

Abstract: Requires the legislature to provide by law for a program governing the ad valorem tax exemption for certain property of a manufacturing establishment (ITEP) and removes specific provisions of present constitution granting authority for approval of the exemptions by the governor and the State Board of Commerce and Industry.

Present constitution authorizes an ad valorem property tax exemption for new manufacturing establishments and miscellaneous additions to existing establishments, hereinafter (exemption). The exemption is effectuated through a contract granted by the Board of Commerce and Industry, with the approval of the governor.

Proposed constitutional amendment removes from present constitution specific authority for the approval of the exemptions by the governor and the State Board of Commerce and Industry.

Proposed constitutional amendment changes present constitution by requiring the legislature to provide by law for a program governing various aspects of the exemption, which may include additional eligibility requirements restricted to those that concern expectations for returns on investment for local governments. Any law establishing a procedure concerning the authority to approve an exemption, once enacted, shall not be changed except by specific legislative instrument which receives a favorable vote of 2/3rds of the elected members of each house of the legislature.

Provides for submission of the proposed amendment to the voters at the statewide election to be held Oct. 14, 2017.

(Amends Art. VII, § 21(F))