



OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note

Fiscal Note On: SB 371 SLS 18RS 670
Bill Text Version: ORIGINAL
Opp. Chamb. Action:
Proposed Amd.:
Sub. Bill For.:

Table with metadata: Date: March 16, 2018 9:54 AM; Author: CORTEZ; Dept./Agy.: Economic Development/Local Authorities; Subject: Industrial Tax Exemption Program - Local Approval; Analyst: Elizabeth Caillier

TAX EXEMPTIONS OR NO IMPACT LF EX See Note Page 1 of 1
Provides relative to uniformity in local administration of the industrial tax exemption program. (gov sig)

Purpose of the Bill: This measure requires local government to evaluate and approve ad valorem exemption contracts granted by the the Department of Economic Development (LED) for the Industrial Tax Exemption Program (ITEP). Each parish shall develop uniform standards to evaluate applications with the assistance of LED. This measure provides a non-exclusive list of factors that local taxing authorities may consider when developing their uniform standards. Once developed, the standards shall be submitted to LED.

Table with 7 columns: EXPENDITURES, 2018-19, 2019-20, 2020-21, 2021-22, 2022-23, 5 -YEAR TOTAL. Rows include State Gen. Fd., Agy. Self-Gen., Ded./Other, Federal Funds, Local Funds, and Annual Total.

Table with 7 columns: REVENUES, 2018-19, 2019-20, 2020-21, 2021-22, 2022-23, 5 -YEAR TOTAL. Rows include State Gen. Fd., Agy. Self-Gen., Ded./Other, Federal Funds, Local Funds, and Annual Total.

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

The Industrial Property Tax Exemption Program (ITEP) is a program established by Article 7, Section 21(F) of the Louisiana Constitution. Executive order JBE 2016-26 requires approvals of ITEP contracts by the relevant local governing authorities. This measure is putting the current authority of obtaining local approvals in to law.

According to a representative from the LED, there is no impact on state expenditures. LED is authorized to assist locals and the staff is well equipped to perform the task and has already developed many of the materials that would be needed by the locals. In addition, this official concluded that there would be no impact on local government expenditures as well.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

The Industrial Property Tax Exemption Program (ITEP) is a program established by Article 7, Section 21(F) of the Louisiana Constitution. Executive order JBE 2016-26 requires approvals of ITEP contracts by the relevant local governing authorities. This measure is putting the current authority of obtaining local approvals in to law.

According to a representative from the LED, there is no impact on state revenues. In addition, this official concluded that there would be no impact on local government revenues as well.

Senate Dual Referral Rules
13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}
13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

House
6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Signature of Michael G. Battle
Michael G. Battle
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