

2020 Regular Session

SENATE BILL NO. 187

BY SENATOR WHITE

TAX/AD VALOREM. Constitutional amendment to provide relative to the ad valorem tax exemption for certain manufacturing facilities. (2/3 - CA13s1(A))

A JOINT RESOLUTION

Proposing to amend Article VII, Section 21(F) of the Constitution of Louisiana, relative to ad valorem tax exemptions; to authorize the legislature to provide by law for the implementation of the industrial property tax exemption program; to authorize the legislature to provide uniform procedures; and to specify an election for submission of the proposition to electors and provide a ballot proposition.

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

§21. Other Property Exemptions

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

* * *

(F) Notwithstanding any contrary provision of this Section, the State Board of Commerce and Industry or its successor, with the approval of the governor, may

1 enter into contracts for the exemption from ad valorem taxes of a new manufacturing
2 establishment or an addition to an existing manufacturing establishment, on such
3 terms and conditions as the board, with the approval of the governor, deems in the
4 best interest of the state.

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

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

14 **The legislature may provide by law for the implementation of the**
15 **provisions of this Paragraph including the establishment of uniform procedures**
16 **for contracts of exemption.**

17 * * *

18 Section 2. Be it further resolved that this proposed amendment shall be submitted
19 to the electors of the state of Louisiana at the statewide election to be held on November 3,
20 2020.

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

25 Do you support an amendment to authorize the legislature to establish
26 uniform procedures for the industrial property tax exemption program?

27 (Amends Article VII, Section 21(F))

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

DIGEST

SB 187 Original 2020 Regular Session White

Present constitution authorizes a property tax exemption for new manufacturing establishments and additions to existing establishments for an initial term of five years, with a five year renewal through a contract granted by the Board of Commerce and Industry, with the approval of the governor.

Proposed constitutional amendment retains the exemption program authorized by the present constitution and authorizes the legislature to provide by law for the implementation of the exemption program and to provide for a uniform approval process.

Specifies submission of the amendment to the voters at the statewide election to be held on November 3, 2020.

(Amends Const. Art. VII, §21(F))