

2020 Regular Session

SENATE BILL NO. 236

BY SENATOR WARD

TAX/AD VALOREM. Constitutional amendment to establish certain ad valorem property tax exemptions. (2/3 - CA13s1(A))

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17

A JOINT RESOLUTION

Proposing to amend Article VII, Section 21(F) of the Constitution of Louisiana, relative to ad valorem property tax exemptions; to establish exemptions for certain property; to establish exemptions for certain capital investment projects; to authorize the administration of the exemptions; to provide for approval from political subdivisions; to provide for gubernatorial approval; to provide for certain requirements; 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:

* * *

1 (F) Notwithstanding any contrary provision of this Section, ~~the State Board~~
2 ~~of Commerce and Industry or its successor, with the approval of the governor, may~~
3 ~~enter into contracts for the~~ **there are hereby authorized standard, local, and**
4 **executive exemption exemptions** from ad valorem taxes of a new manufacturing
5 establishment or an addition to an existing manufacturing establishment, on such
6 terms and conditions as the board, with the approval of the governor, deems in the
7 best interest of the state: **for capital investment projects as follows:**

8 (1) The **standard** exemption shall be for an initial ~~a~~ term of no more than
9 five **eight** calendar years, and may be renewed for an additional five years **shall**
10 **provide for an ad valorem tax exemption of eighty percent of the property taxes**
11 **of the capital investment project. The granting of a standard exemption shall**
12 **be reviewed by the Board of Commerce and Industry, or its successor as**
13 **provided by law, and no additional approval is required for the granting of this**
14 **exemption. Enactment of any law to administer this exemption shall require a**
15 **favorable vote of two-thirds of the elected members of each house of the**
16 **legislature.**

17 (2) The local exemption shall be for a term of no more than fifteen years
18 **and may provide for an ad valorem tax exemption of up to one hundred percent**
19 **of the property taxes of the capital investment project. The granting of a local**
20 **exemption shall require the approval of each political subdivision in whose**
21 **district the project is to be located. Enactment of any law to administer this**
22 **exemption shall require a favorable vote of two-thirds of the elected members**
23 **of each house of the legislature.**

24 (3) **The executive exemption shall be for a term determined by the**
25 **governor and may provide for an ad valorem tax exemption of up to one**
26 **hundred percent of the property taxes of the capital investment project. The**
27 **granting of an executive exemption shall require approval from the governor.**
28 **Enactment of any law to administer this exemption shall require a favorable**
29 **vote of two-thirds of the elected members of each house of the legislature.**

- (2) A local exemption for a term of no more than 15 calendar years and exempts a project from up to 100% of its property taxes. This exemption requires the approval of local taxing authorities as provided for in law.
- (3) An executive exemption shall be established in law and may be for a specified term determined by the governor and exempts a project from up to 100% of its property taxes. This exemption requires invitation and approval of the governor.

Proposed constitutional amendment also requires that any law enacted relative to any of the new exemptions requires a favorable vote of two-thirds of the elected members of each house of the legislature.

Proposed constitutional amendment retains present law related to listing property on tax assessment rolls and various definitions.

Provides for submission of the proposed amendment to the voters at the statewide election to be held November 3, 2020.

(Amends Const. Art. VII, §21(F))