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

DIGEST

SB 236 Original 2020 Regular Session Ward

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

Proposed constitutional amendment authorizes three ad valorem property tax exemptions for capital investment projects as follows:

(1) A standard exemption for a term of 8 calender years and exempts a project from 80% of its property taxes. The exemption is subject to review by the Board of Commerce and Industry. No additional approval required.

(2) A local exemption for a term of no more than 15 calender 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))