

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HCR 4** HLS 20RS 328

Bill Text Version: **ENROLLED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> June 2, 2020 3:21 PM	<b>Author:</b> BEAULLIEU
<b>Dept./Agy.:</b> Economic Development / Local Governments	<b>Analyst:</b> Greg Albrecht
<b>Subject:</b> Industrial Tax Exemption	

TAX/AD VALOREM-EXEMPTION EN SEE FISC NOTE LF RV See Note Page 1 of 1  
Amends rules relative to participation in the Industrial Tax Exemption Program

Present Louisiana Administrative Code (LAC) allows local governments 60 days to complete approval or rejection of industrial tax exemption applications. If local government takes no action, the application is deemed approved by each affected local entity.

Proposed LAC establishes an Industrial Tax Exemption Program (ITEP) Ready provision where local governmental entities in a parish vote by majority to agree to approve or reject all industrial ad valorem tax exemption applications with their jurisdictions. For such parishes the 30-day notice period for public hearings shall not apply, and no further action evidencing local approval or rejection shall be required. Local entities can change their intent for one year at a time.

Applicable to applications filed on or after August 1, 2020.

<b>EXPENDITURES</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

  

<b>REVENUES</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>5 -YEAR TOTAL</b>
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Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
<b>Annual Total</b>						

**EXPENDITURE EXPLANATION**

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

**REVENUE EXPLANATION**

The resolution appears to intend to streamline or shorten the industrial tax exemption approval or rejection process at the local level by, in effect, allowing local governments to approve or reject all applications in their jurisdictions in advance, and forego the required days of public notice and the taking of action or defaulting to approval or rejection for each application, individually. While total applications in the state are unlikely to change as a result of the availability of this process, it is possible that the distribution of projects among parishes might be influenced by the utilization of this process in some parishes and not others. However, parishes that are already more or less conducive to industrial activity or that already have large or small amounts of industrial activity may be most likely to avail themselves of the bill's provisions, resulting in little change in the distribution of projects.

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}

**John D. Carpenter**  
**Legislative Fiscal Officer**