

2020 First Extraordinary Session

HOUSE BILL NO. 23

BY REPRESENTATIVE DWIGHT

TAX/AD VALOREM TAX: (Constitutional Amendment) Authorizes certain agreements that provide for payments in lieu of ad valorem taxes (Item #28)

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A JOINT RESOLUTION

Proposing to add Article VII, Section 21(O) of the Constitution of Louisiana, relative to payments in lieu of taxes; to provide for certain agreements authorizing payments in lieu of ad valorem taxes; to provide for agreements authorizing payments in lieu of ad valorem taxes that may allow for property tax exemptions; to provide for certain conditions and limitations; to provide for submission of the proposed amendment to the electors; and to provide for related matters.

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 of Louisiana, for their approval or rejection in the manner provided by law, a proposal to add Article VII, Section 21(O) 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:

\* \* \*

(O)(1) As provided by law and this Constitution, property that is subject to an agreement for strategic investments to maximize parish and local economies that authorizes payments in lieu of ad valorem taxes. Any agreement authorized pursuant to this Paragraph may partially or fully exempt the property from ad valorem tax.  
Any ad valorem tax exemption authorized pursuant to this Paragraph shall be entered

1 into in accordance with law. Agreements may be entered into by the taxpayer and a  
2 political subdivision authorized to act on behalf of all other political subdivisions  
3 within the parish in which the exempted property is located.

4 (2) Property eligible to be subject to an agreement permitting payments in  
5 lieu of taxes shall be limited to property of a new establishment or an addition to an  
6 existing establishment.

7 Section 2. Be it further resolved that this proposed amendment shall be submitted  
8 to the electors of the state of Louisiana at the statewide election to be held on November 3,  
9 2020.

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

14 Do you support an amendment to authorize political subdivisions to enter  
15 into agreements with taxpayers to make payments in lieu of taxes that may  
16 allow for a tax exemption? (Adds Article VII, Section 21(O))

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DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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HB 23 Original                      2020 First Extraordinary Session                      Dwight

**Abstract:** Authorizes political subdivisions to enter into agreements for strategic investments to maximize parish and local economies that permit taxpayers to make payments in lieu of ad valorem taxes that may allow for property tax exemptions or future tax credits, or both.

Present constitution authorizes certain parishes, municipalities, school boards, and other special districts to levy an ad valorem property tax.

Present constitution establishes the exclusive list of ad valorem property tax exemptions.

Proposed constitutional amendment retains present constitution.

Proposed constitutional amendment authorizes certain political subdivisions to enter into agreements for strategic investments to maximize parish and local economies authorizing payments in lieu of ad valorem taxes.

Proposed constitutional amendment further authorizes such agreements to fully or partially exempt property.

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

(Adds Const. Art. VII, §21(O))