
DIGEST

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HB 28 Original

2020 First Extraordinary Session

Dwight

Abstract: Authorizes agreements for strategic investments to maximize parish and local economies authorizing payments in lieu of taxes, between political subdivisions and taxpayers, that may grant ad valorem tax exemptions.

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 law authorizes the governing authority of a political subdivision to act on behalf of all political subdivisions levying an ad valorem tax within a parish to enter into an agreement for strategic investments to maximize parish and local economies authorizing payments in lieu of taxes and to collect ad valorem taxes on behalf of the other political subdivisions within the parish.

Proposed law provides the agreement shall be entered into voluntarily by an ad valorem taxpayer and the governing authority of the political subdivision authorized to act on behalf of the other political subdivisions within the parish.

Proposed law provides all political subdivisions within a parish shall meet each year at a public meeting and elect a single governing authority from all political subdivisions authorized to levy ad valorem taxes to act as an agent on behalf of all the political subdivisions.

Proposed law authorizes the authority authorized to act on behalf of the other political subdivisions within the parish to grant future tax credits for up to nine years in exchange for up to two years of ad valorem payments within an agreement authorizing payment in lieu of taxes.

Proposed law provides title or ownership of property subject to an agreement for strategic investments to maximize parish and local economies authorizing payments in lieu of taxes shall remain with the property owner during the time the cooperative endeavor agreement is in effect.

Proposed law defines a political subdivision as a parish, municipality, and any other unit of local government, including a school board or special district authorized to levy an ad valorem property tax.

Present law defines a "cooperative endeavor agreement" as a form of economic development assistance between and among the state and local governments and other entities.

Proposed law retains present law and adds "agreements providing for payments in lieu of taxes" to the definition of "cooperative endeavor agreement".

Effective if and when the constitutional amendment in House Bill No. ____ of this 2020 First E.S. is adopted statewide and becomes effective.

(Amends R.S. 33:9021(8) and (10) and 9022(1); Adds R.S. 33:2760)