
DIGEST

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HB 28 Reengrossed

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 a taxpayer and any governing authority of a political subdivision to enter into an agreement for strategic investments to maximize parish and local economies authorizing payments in lieu of taxes.

Proposed law authorizes 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 that 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. 23 of this 2020 First Extraordinary Session is adopted at a statewide election and becomes effective.

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

Summary of Amendments Adopted by House

The House Floor Amendments to the engrossed bill:

1. Remove provisions allowing certain political subdivisions to collect ad valorem taxes.
2. Remove provisions allowing a single political subdivision to act as an agent on behalf of other political subdivisions within a parish.
3. Make technical changes.