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## DIGEST

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HB 78 Original

2020 Second Extraordinary Session

Beaulieu

**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 one or more political subdivisions to enter into an agreement for strategic investments to maximize parish and local economies authorizing payments in lieu of taxes.

Proposed law permits one or more political subdivisions to grant future tax credits for nine years in exchange for up to two years of ad valorem payments within an agreement authorizing payment in lieu of taxes.

Proposed law requires one political subdivision to act as an agent on behalf of the other political subdivisions if more than one political subdivision enters into the agreement.

Proposed law provides that no political subdivision is required to enter into an agreement, but requires each political subdivision to be provided an opportunity to enter into the agreement.

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.

Effective if and when the constitutional amendment in Act 370 of the 2020 Regular Session is adopted at a statewide election and becomes effective.

(Adds R.S. 33:2760)