

2021 Regular Session

HOUSE BILL NO. 489

BY REPRESENTATIVE PRESSLY

TAX/AD VALOREM-EXEMPTION: (Constitutional Amendment) Exempts items constituting business inventory from ad valorem property tax

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19

A JOINT RESOLUTION

Proposing to add Article VII, Section 21(O) of the Constitution of Louisiana, relative to ad valorem taxation; to provide with respect to ad valorem property tax; to exempt certain items constituting business inventory from ad valorem property tax; to provide for applicability; 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) Items constituting business inventory. Business inventory shall include goods held for sale, goods in production or for ultimate consumption in the production of goods or services for sale, and goods utilized in marketing and distribution activities.

1 Section 2. Be it further resolved that the provisions of the amendment contained in
2 this Joint Resolution shall be applicable to taxable years beginning on or after January 1,
3 2023.

4 Section 3. Be it further resolved that this proposed amendment shall be submitted
5 to the electors of the state of Louisiana at the statewide election to be held on November 8,
6 2022.

7 Section 4. Be it further resolved that on the official ballot to be used at the election,
8 there shall be printed a proposition, upon which the electors of the state shall be permitted
9 to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as
10 follows:

11 Do you support an amendment to exempt certain items constituting business
12 inventory from ad valorem property tax? (Adds Article VII, Section 21(O))

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)]

HB 489 Original

2021 Regular Session

Pressly

Abstract: Establishes an ad valorem property tax exemption for items constituting business inventory.

Present constitution authorizes local governments to impose ad valorem property taxes upon movable and immovable property within their jurisdictions.

Proposed constitutional amendment exempts items constituting business inventory from ad valorem property taxes. Further provides that business inventory items include goods held for sale, goods in production or for ultimate consumption in the production of goods or services for sale, and goods utilized in marketing and distribution activities.

Applicable to tax years beginning on or after Jan. 1, 2023.

Provides for submission of the proposed amendment to the voters at the statewide election to be held Nov. 8, 2022.

(Adds Const. Art. VII, §21(O))