

RÉSUMÉ DIGEST

ACT 569 (HB 761)

2024 Regular Session

LaCombe

New law authorizes any municipality with a population of between 1,525 and 1,600 to create a taxing district to provide for cooperative economic development to provide for the redevelopment of blighted property into a conference style hotel and related facilities. Provides that the ordinance creating the district shall provide for its boundaries and governing authority.

New law authorizes any such district to levy a hotel occupancy tax and a tax upon the sale of food and beverage not intended for home consumption. The aggregate tax rate of the hotel occupancy tax shall be at least equal to the aggregate rate of all hotel occupancy taxes levied within the parish where the district is located. The aggregate food and beverage tax rate shall be at least equal to the aggregate rate of all taxes on food and beverage levied within the parish where the district is located.

New law provides that if there are no hotel occupancy or sales taxes whatsoever generated at the property and, but for the hotel project to be developed at the property within the district, there would be no collection of a hotel occupancy tax or food and beverage tax by any taxing authority within the district, the levy of a tax by the district supersedes and is in lieu of only other taxes on hotel occupancy and sales within the district that do not secure bonds, that have not been dedicated by other law or by proposition approved by electors, and that are not based on a per person basis.

New law authorizes the district to issue revenue bonds payable from an irrevocable pledge of up to the full amount of hotel occupancy and food and beverage sales tax increments to finance any project consistent with the purposes of the district. Further authorizes the district to pledge the tax increments to financing of a hotel and related facilities within the district. Provides that a tax increment shall consist of that portion of the aggregate of such tax revenues collected by the district each year which exceeds the amount of such taxes that were collected in the year immediately prior to the year in which the district was established.

New law provides for termination of the district one year after all debts of the district are paid. However, the district shall not have an existence of more than 40 years from the date on which the district levies a tax.

New law provides that any ordinance or resolution authorizing debt obligations or the pledge of tax increments may be published at least once in the official journal of the parish where the district is located. Authorizes contesting the debt or pledge for 30 days after the date of publication. Thereafter, it shall be conclusively presumed that every legal requirement for the levy and collection of taxes, the issuance of bonds or other debt obligations, or the pledge of tax increments has been complied with.

Effective August 1, 2024.

(Adds R.S. 33:9038.77)