The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Riley Boudreaux.

DIGEST

SB 125 Original

2015 Regular Session

Adley

<u>Present constitution</u> authorizes the State Board of Commerce and Industry, with approval of the governor, to enter into contracts for the exemption from ad valorem taxes of "new manufacturing establishments" and "additions to existing manufacturing establishments". The exemption must be for an initial term of no more than five years and may be renewed for an additional five years.

<u>Proposed constitutional amendment</u>, beginning for Tax Year 2016, requires an exemption originally granted before January 1, 2017, to be reduced so that it exempts 60% of the property originally exempted and requires the term of the exemption to be extended for two years from the term originally granted. The renewal of such exemption is subject to the same exemption reduction and term extension.

<u>Proposed constitutional amendment</u> specifically authorizes assessors for the Tax Year 2016 only to assess property which was exempt prior to the <u>proposed constitutional amendment</u> according to its terms by July 1, 2016, notwithstanding any other law to the contrary requiring the assessment and collection of ad valorem taxes by an earlier date, and allows ad valorem property taxes to be collected upon such property for that tax year.

Specifies submission of the amendment to the voters at the statewide election to be held on October 24, 2015.

(Amends Const. Art. VII, Sec. 21(F))