

2015 Regular Session

SENATE BILL NO. 139

BY SENATOR ALLAIN

TAX EXEMPTIONS. Constitutional amendment to exempt from ad valorem property taxes inventory held by manufacturers, distributors, and retailers, to be submitted to electors of the state if a certain law is enacted. (2/3-CA13s1(A))(1/1/16)

A JOINT RESOLUTION

Proposing to add Article VII, Section 21(C)(20) of the Constitution of Louisiana, relative to ad valorem property tax exemptions; to provide for an exemption for certain inventory and natural gas; and to specify an election for submission of the proposition to electors and provide a ballot proposition.

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, for their approval or rejection in the manner provided by law if the Act which originated as House Bill No. _____ of the 2015 Regular Session of the Legislature is enacted and becomes effective, a proposal to add Article VII, Section 21(C)(20) 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:

* * *

(C) * * *

1 **(20) Inventory held by manufacturers, distributors, and retailers.**

2 * * *

3 Section 2. Be it further resolved that this proposed amendment shall become effective
4 January 1, 2016.

5 Section 3. Be it further resolved that this proposed amendment shall be submitted
6 to the electors of the state of Louisiana at the statewide election to be held on October 24,
7 2015, if the Act which originated as House Bill No. _____ of the 2015 Regular Session
8 of the Legislature is enacted and becomes effective.

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

13 Do you support an amendment to exempt from property tax inventory held
14 by manufacturers, distributors, and retailers?

15 (Adds Article VII, Section 21(C)(20))

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

	DIGEST	
SB 139 Original	2015 Regular Session	Allain

Present constitution exempts from ad valorem property taxes inventories of certain raw materials, goods, commodities, and articles imported into the state from outside the United States, or in transit through the state, under certain conditions. Also authorizes the authority or district charged with economic development or the parish governing authority of each parish to enter into contracts for the exemption of goods held in inventory by "distribution centers".

Present law allows a refundable income or corporate franchise tax credit for ad valorem property taxes paid on inventory held by manufacturers, distributors, and retailers and on natural gas held, used, or consumed in providing natural gas storage services or operating natural gas storage facilities.

Proposed constitutional amendment exempts from ad valorem property taxes inventory held by manufacturers, distributors, and retailers.

Specifies submission of the amendment to the voters at the statewide election to be held on October 24, 2015, if the Act which originated as House Bill No. _____ of the 2015 Regular Session of the Legislature is enacted and becomes effective.

Effective January 1, 2016.

(Adds Const. Art. VII, Sec. 21(C)(20))