SLS 15RS-514 **ORIGINAL** 

2015 Regular Session

SENATE BILL NO. 140

BY SENATOR ALLAIN

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TAX/TAXATION. Constitutional amendment to exempt from ad valorem property taxes inventory held by manufacturers, distributors, and retailers if the taxing authority accepts a payment in lieu of the property taxes which would otherwise be due on such inventory as may be provided by law for such purpose. (2/3-CA13s1(A))(1/1/16)

A JOINT RESOLUTION

2	Proposing to add Article VII, Section 21(C)(20), relative to ad valorem property tax
3	exemptions; to provide for an exemption for certain inventory under certain
4	conditions; and to specify an election for submission of the proposition to electors
5	and provide a ballot proposition.
6	Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members
7	elected to each house concurring, that there shall be submitted to the electors of the state, for
8	their approval or rejection in the manner provided by law, a proposal to add Article VII,
9	Section 21(C)(20) of the Constitution of Louisiana, to read as follows:
10	§21. Other Property Exemptions
11	Section 21. In addition to the homestead exemption provided for in Section
12	20 of this Article, the following property and no other shall be exempt from ad
13	valorem taxation:
14	* * *
15	(C) * * *
16	(20) Inventory held by manufacturers, distributors, and retailers shall
17	be exempt if the taxing authority accepts a payment in lieu of the ad valorem

1 taxes which would otherwise be due on such inventory as may be provided by 2 law for such purpose. 3 4 Section 2. Be it further resolved that this proposed amendment shall become effective January 1, 2016. 5 Section 3. Be it further resolved that this proposed amendment shall be submitted 6 7 to the electors of the state of Louisiana at the statewide election to be held on October 24, 8 2015. 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 property tax inventory held by manufacturers, distributors, and retailers if the taxing authority accepts a 14 payment in lieu of the property taxes which would otherwise be due on such 15 16 inventory as may be provided by law for such purpose? 17 (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 2015 Regular Session

SB 140 Original

Allain

<u>Present constitution</u> 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".

<u>Present law</u> allows a refundable 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.

<u>Proposed constitutional amendment</u> exempts from ad valorem property taxes inventory held by manufacturers, distributors, and retailers if the taxing authority accepts a payment in lieu of the property taxes which would otherwise be due on such inventory as may be provided by law for such purpose.

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

Effective January 1, 2016.

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