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

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DIGEST

SB 130 Original

2017 Regular Session

Allain

Present constitution provides that all property is subject to ad valorem taxation unless specifically exempted.

Present constitution authorizes the State Board of Commerce and Industry, with gubernatorial approval, to enter into contracts to exempt new and expanding manufacturing facilities from ad valorem taxation.

Proposed constitutional amendment retains the ability of the board to enter into contracts to exempt certain manufacturing facilities from certain ad valorem taxes.

Proposed constitutional amendment beginning January 1, 2019, prohibits the board from providing a full exemption for a manufacturing facility under a new contract or contract renewal from the payment of ad valorem taxes imposed by or on behalf of a city, parish, or other local public school board and requires that the manufacturing facility pay no less than the school related millages on the value of property after ten years of use.

Proposed constitutional amendment provides that the Tax Commission establish criteria for determining the value of property after ten years of use and that these criteria shall be uniform throughout the state.

Proposed constitutional amendment phases in an ad valorem tax exemption for goods held in inventory over a ten-year period completely exempting inventory from ad valorem taxation after January 1, 2028.

Specifies submission of the amendment to the voters at the statewide election to be held on November 6, 2018.

(Amends Const. Art. VII, Sec. 21(F); adds Const. Art. VII, Sec. 21(N))