

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 206** HLS 17RS 246

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: May 10, 2017 11:59 AM	Author: CARMODY
Dept./Agy.: Economic Development / Local Authorities	Analyst: Greg Albrecht
Subject: Industrial Tax Exemption Program	

TAX/AD VALOREM-EXEMPTION EG SEE FISC NOTE LF RV See Note Page 1 of 1
Provides with respect to the ad valorem tax exemption for certain property of manufacturing establishments

Establishes a program whereby the State Board of Commerce and Industry is to make recommendations regarding applications for the industrial tax exemption and to develop exemption contracts. Those contracts are to be submitted to the appropriate Exemption Incentive Review Committee, one to be created in each parish as provided by this bill, for its review. The local Review Committee may request revisions to the contracts and shall either approve or deny the contract. The board shall prepare the final contract upon local approval.

Contingent upon adoption of a constitutional amendment proposed in an House Bill 180 of this session.

EXPENDITURES	2017-18	2018-19	2019-20	2020-21	2021-22	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2017-18	2018-19	2019-20	2020-21	2021-22	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The Dept. of Economic Development does not anticipate any material additional administrative costs. It presumes that it will continue to administer the program largely along the lines it has historically.

REVENUE EXPLANATION

The effect on local ad valorem tax receipts is unknown, as the bill appears to provide for local revision of exemption contracts, and ultimate approval or denial of those contracts. How this program and that authority will affect the industrial tax exemption program, the affected ad valorem tax base, and ad valorem exemptions is speculative.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux

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Staff Director