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## DIGEST

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HB 598 Reengrossed

2018 Regular Session

Havard

**Abstract:** Authorizes a local taxing authority to enter into agreements for advance payment of certain property taxes in exchange for property tax credits for property under contract for the industrial tax exemption.

Proposed law authorizes a local taxing authority to enter into an advance tax payment agreement with a taxpayer that owns property that is under an industrial tax exemption contract, which agreement would provide for the advance payment of property taxes in exchange for issuance of ad valorem tax credits to the taxpayer. Tax credits may only be used for payment of tax liabilities on property which is the subject of the industrial tax exemption contract. The agreement may include the payment of interest on the amount of advance taxes paid.

Proposed law limits use of the credit in any tax year to 20% of the total value of the credit.

Proposed law requires that the taxpayer notify the Board of Commerce and Industry of their entry into an agreement.

Proposed law provides that a taxpayer's participation in an agreement shall have no bearing on the taxpayer's eligibility for or continued benefit from an exemption contract.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Adds R.S. 47:2138)

### Summary of Amendments Adopted by House

#### The House Floor Amendments to the engrossed bill:

1. Limit use of the credit in any tax year to 20% of the total value of the credit.
2. Require taxpayer notification to the Board of Commerce and Industry.
3. Provide that participation in agreement shall not limit a taxpayer's eligibility for or continued benefit from the industrial tax exemption.