

2020 First Extraordinary Session

HOUSE BILL NO. 33

BY REPRESENTATIVE IVEY

TAX/AD VALOREM-EXEMPTION: (Constitutional Amendment) Establishes an ad valorem tax exemption for certain property subject to a cooperative endeavor agreement requiring the property owner to make payments in lieu of taxes (Item #28)

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A JOINT RESOLUTION

Proposing to add Article VII, Section 21(O) of the Constitution of Louisiana, relative to ad valorem property tax exemptions; to establish an exemption for certain non-residential property subject to a cooperative endeavor agreement requiring payments in lieu of taxes; to provide for certain requirements and limitations; to provide for submission of the proposed amendment to the electors; to provide for effectiveness; and to provide for related matters.

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 of Louisiana, for their approval or rejection in the manner provided by law, a proposal to add Article VII, Section 21(O) 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:

\* \* \*

(O)(1) Non-residential property subject to a cooperative endeavor agreement entered into between the property owner and one or more taxing authorities, which agreement requires the property owner to make payments in lieu of taxes.

1           (2) The exemption authorized pursuant to this Paragraph shall be to the  
2           extent agreed to and provided for in the cooperative endeavor agreement. All  
3           property made part of the cooperative endeavor agreement shall be listed on the  
4           assessment rolls and submitted to the Louisiana Tax Commission.

5           (3) The legislature shall provide by law for the implementation of this  
6           Paragraph, including the non-residential property eligible for the exemption.  
7           Enactment of any law to implement this Paragraph and any amendment to that law  
8           shall require a two-thirds vote of the elected members of each house of the  
9           legislature.

10          Section 2. Be it further resolved that the provisions of the amendment contained in  
11 this Joint Resolution shall become effective on January 1, 2021.

12          Section 3. Be it further resolved that this proposed amendment shall be submitted  
13 to the electors of the state of Louisiana at the statewide election to be held on November 3,  
14 2020.

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

19                 Do you support an amendment to grant a property tax exemption for non-  
20                 residential property subject to a cooperative endeavor agreement with local  
21                 taxing authorities allowing the property owner to make payments in place of  
22                 property taxes and to require a two-thirds vote of the legislature to enact laws  
23                 related to the exemption? (Effective January 1, 2021) (Adds Article VII,  
24                 Section 21(O))

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DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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HB 33 Original

2020 First Extraordinary Session

Ivey

**Abstract:** Establishes an ad valorem tax exemption for non-residential property subject to a cooperative endeavor agreement that requires the property owner to make payments in lieu of ad valorem taxes.

Present constitution authorizes the imposition of ad valorem property taxes by local governments, school boards, and other special districts.

Present constitution establishes a list of exclusive ad valorem tax exemptions.

Proposed constitutional amendment changes present constitution by creating an exemption for non-residential property subject to a cooperative endeavor agreement requiring the property owner to make payments in lieu of the ad valorem taxes imposed by a taxing authority party to the agreement.

Proposed constitutional amendment requires the legislature to provide for the implementation of proposed constitutional amendment, including the non-residential property eligible for the exemption.

Proposed constitutional amendment requires that any law enacted to implement this payment in lieu of taxes program will require a two-thirds vote of both houses of the legislature.

Proposed constitutional amendment requires that exempt properties be listed on the assessment rolls and that information concerning those properties be submitted to the La. Tax Commission.

Provides for submission of the proposed amendment to the voters at the statewide election to be held Nov. 3, 2020.

Effective Jan. 1, 2021.

(Adds Const. Art. VII, §21(O))