

2021 Regular Session

HOUSE BILL NO. 202

BY REPRESENTATIVES BISHOP, DEVILLIER, AND IVEY

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

LEGISLATIVE POWERS: (Constitutional Amendment) Provides for an increased vote requirement when enacting certain new tax incentives

1 A JOINT RESOLUTION

2 Proposing to add Article VII, Section 2.4 of the Constitution of Louisiana, relative to
3 legislative authority; to provide for the vote requirement to enact a new tax
4 exemption, exclusion, deduction, rebate, or credit; to provide for definitions; to
5 provide for effectiveness; to provide for certain requirements and limitations; to
6 provide for submission of the proposed amendment to the electors; and to provide
7 for related matters.

8 Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members
9 elected to each house concurring, that there shall be submitted to the electors of the state of
10 Louisiana, for their approval or rejection in the manner provided by law, a proposal to add
11 Article VII, Section 2.4 of the Constitution of Louisiana, to read as follows:

12 §2.4. Tax Incentives; Vote Requirement; Limitation

13 Section 2.4.(A) Beginning January 1, 2023, the enactment of a new tax
14 exemption, exclusion, deduction, rebate, or credit shall require a favorable vote of
15 two-thirds of the elected members of each house of the legislature.

16 (B)(1) Beginning January 1, 2023, any newly enacted tax exemption,
17 exclusion, deduction, rebate, or credit, hereinafter referred to as "tax incentive", shall
18 expire no later than four years from enactment. However, the legislature may
19 extend, for a period not to exceed four years, the effectiveness of any tax incentive
20 enacted on or after January 1, 2023, or any existing tax incentive having a

1 termination date on or after January 1, 2023. Nothing in this constitution shall
2 prohibit the legislature from enacting more than one extension. The extension of the
3 effectiveness of a tax incentive shall be enacted through a separate instrument
4 requiring a favorable vote of two-thirds of each house of the legislature.

5 (2) For the purposes of this Paragraph, "newly enacted tax exemption,
6 exclusion, deduction, rebate or credit" shall mean any tax exemption, exclusion,
7 deduction, rebate, or credit enacted on or after January 1, 2023.

8 Section 2. Be it further resolved that this proposed amendment shall be submitted
9 to the electors of the state of Louisiana at the statewide election to be held on November 8,
10 2022.

11 Section 3. Be it further resolved that on the official ballot to be used at the election,
12 there shall be printed a proposition, upon which the electors of the state shall be permitted
13 to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as
14 follows:

15 Do you support an amendment to require the favorable vote of two-thirds of
16 the elected members of each house of the legislature to enact any new tax
17 exemption, exclusion, deduction, rebate, or credit and to require any newly-
18 enacted tax exemption, exclusion, deduction, rebate, or credit to expire
19 within four years unless extended? (January 1, 2023) (Adds Article VII,
20 Section 2.4)

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)]

HB 202 Engrossed

2021 Regular Session

Bishop

Abstract: Requires a favorable vote of two-thirds of each house of the legislature to enact a new tax exemption, exclusion, deduction, rebate, or credit and requires all new tax exemptions, exclusions, deductions, rebates, or credits to expire within four years of enactment unless extended.

Present constitution requires a favorable vote of two-thirds of the elected members of each house of the legislature to levy a new tax, to increase an existing tax, or to repeal an existing tax exemption.

Beginning Jan. 1, 2023, proposed constitutional amendment requires a favorable vote of two-thirds of the elected members of each house of the legislature to enact a new tax exemption, exclusion, deduction, rebate, or credit (tax incentive).

Beginning Jan. 1, 2023, proposed constitutional amendment requires any newly enacted tax incentive to expire no later than four years from enactment.

Proposed constitutional amendment provides the legislature may extend the effectiveness of any tax incentive enacted on or after Jan. 1, 2023, or any tax incentive having a termination date on or after Jan. 1, 2023, for increments lasting no longer than four years.

Proposed constitutional amendment requires an extension of effectiveness to be enacted through a separate instrument requiring a favorable vote of two-thirds of each house of the legislature.

Provides for submission of the proposed amendment to the voters at the statewide election to be held Nov. 8, 2022.

(Adds Const. Art. VII, §2.4)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the original bill:

1. Make technical changes.