
DIGEST

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HB 285 Original

2023 Regular Session

Turner

Abstract: Provides relative to allowable uses of state sales tax increments in tax increment financing arrangements for local economic development projects.

Present law authorizes local governmental subdivisions to issue revenue bonds payable solely from an irrevocable pledge and dedication of up to the full amount of sales tax increments to finance economic development projects within economic development areas designated in accordance with present law. Provides that such tax increments include portions of sales taxes imposed by all taxing authorities, except for the state and any political subdivision with boundaries coterminous with the state, and paid by taxpayers in the designated economic development area. Stipulates, however, that the use of state sales tax increments for such tax increment financing is allowed in limited circumstances enumerated in present law.

Present law allows the use of state sales tax increments in tax increment financing for an expansion of a local economic development project's scope or extension of the use of the state sales tax for an economic development project or program for which the cooperative endeavor agreement initially authorizing the state sales tax increment was executed before July 1, 1997, and did not expire on or before Aug. 1, 2019. Present law prohibits the extension of the state sales tax increment beyond Dec. 31, 2033, for such project or program.

Proposed law amends present law to allow the use of state sales tax increments in tax increment financing for an expansion of a local economic development project's scope or extension of the use of the state sales tax for an economic development project or program for which the state sales tax increment was initially authorized and approved by the Joint Legislative Committee on the Budget (JLCB) before July 1, 1997, and, as expanded or extended through subsequent approvals by JLCB, did not expire on or before Aug. 1, 2019. Proposed law further amends present law to change the date through which the state sales tax increment may be extended for such project or program from Dec. 31, 2033, to Dec. 31, 2048.

(Amends R.S. 33:9033(B)(3))