SLS 23RS-393 **ORIGINAL**

2023 Regular Session

SENATE BILL NO. 193

BY SENATOR CATHEY

1

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

TAX/AD VALOREM. Provides relative to the allocation of ad valorem tax assessed values of certain property. (gov sig)

AN ACT

2	To amend and reenact R.S. 47:1855(G)(2), relative to the assessment of public service
3	properties; to provide relative to the allocation of ad valorem tax assessed values for
4	certain types of property of nonresident companies; to require East Baton Rouge
5	Parish to remit property taxes among certain parishes; to require the Louisiana Tax
6	Commission to determine the allocation; to authorize East Baton Rouge Parish to
7	retain certain expenses incurred; and to provide for related matters.
8	Be it enacted by the Legislature of Louisiana:
9	Section 1. R.S. 47:1855(G)(2) is hereby amended and reenacted to read as follows:
10	§1855. Allocation of assessed value
11	* * *
12	G.(1) * * *
13	(2)(a) For those companies not provided for in Paragraph (1) of this
14	Subsection, major movable or other movable property owned or used in Louisiana
15	by a company not a resident of, nor domiciled in Louisiana, and having no agent or
16	office in this state shall be allocated to East Baton Rouge Parish; provided, that in
17	the event an assessor shall certify to the tax commission that, as of January first,

1 certain identifiable major movables were present in his parish, the tax commission 2 shall allocate the value of that major movable to the certifying parish. 3 (b) East Baton Rouge Parish shall annually remit property taxes collected by the parish in accordance with the allocation pursuant to this 4 Paragraph among the parishes according to the ratio of miles of all company 5 track in a parish divided by the total number of miles of all company track in 6 7 the state, as determined by the Louisiana Tax Commission. The Louisiana Tax 8 Commission shall provide the ratio calculation to East Baton Rouge Parish by 9 September 1, 2023. 10 (c) East Baton Rouge Parish shall retain an amount equal to actual 11 expenses incurred which shall not exceed one percent of the total amount of property taxes collected by the parish in accordance with the allocation 12 13 pursuant to this Paragraph. 14 Section 2. The provisions of this Act shall be applicable for taxable periods on or 15 16 after January 1, 2023. Section 3. This Act shall become effective upon signature by the governor or, if not 17 signed by the governor, upon expiration of the time for bills to become law without signature 18 19 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If vetoed by the governor and subsequently approved by the legislature, this Act shall become 20 21 effective on the day following such approval.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Curry Lann.

DIGEST 2023 Regular Session

Cathey

<u>Present law</u> provides for the assessment of public service properties, including major movable and other movable property, owned or used in Louisiana by companies operating inside and outside the state. <u>Present law</u> requires the Louisiana Tax Commission to allocate the assessed valuation of each company among the local taxing units on or before September first of each calendar year.

Proposed law retains present law.

SB 193 Original

Present law requires major movable or other movable property owned or used in Louisiana

Page 2 of 3

Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

by a company having an agent or office in this state to be allocated to the taxing unit in which that agent or office is located.

Proposed law retains present law.

<u>Present law</u> requires certain major movable or other movable property owned or used in Louisiana by a company not a resident of, nor domiciled in Louisiana, and having no agent or office in this state to be allocated to East Baton Rouge Parish; provided, that in the event an assessor shall certify to the tax commission that, as of January first, certain identifiable major movables were present in his parish, the tax commission shall allocate the value of that major movable to the certifying parish.

<u>Proposed law</u> retains <u>present law</u> and further requires East Baton Rouge Parish to remit property taxes collected among the parishes according to the ratio of miles of all company track in a parish divided by the total number of miles of all company track in the state, as determined by the Louisiana Tax Commission.

<u>Proposed law</u> authorizes East Baton Rouge Parish to retain an amount equal to actual expenses incurred which shall not exceed 1% of the total amount of property taxes collected by the parish in accordance with the allocation pursuant to <u>present law</u>.

Applicable for taxable periods on or after January 1, 2023.

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

(Amends R.S. 47:1855(G)(2))