A JOINT RESOLUTION

Proposing to amend Article VII, Section 21(B) of the Constitution of Louisiana, relative to ad valorem tax exemptions; to provide for eligibility of certain nonprofit organizations for such exemptions; to prohibit the exemption from ad valorem taxation of certain residential property owned by a nonprofit corporation or association based upon the condition of the property; to provide for determinations by local governing authorities with respect to the condition of certain property owned by a nonprofit corporation or association and leased as housing; to authorize the issuance or reinstatement of a property tax exemption to a nonprofit corporation or association in certain circumstances; to make technical changes and corrections; to provide for applicability; to provide for submission of the proposed amendment to the electors; 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 amend Article VII, Section 21(B) of the Constitution of Louisiana, to read as follows:

CODING: Words in struck through type are deletions from existing law; words underscored are additions.
§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:

* * *

(B)(1)(a)(i) Property owned by a nonprofit corporation or association organized and operated exclusively for religious, dedicated places of burial, charitable, health, welfare, fraternal, or educational purposes, no part of the net earnings of which inure to the benefit of any private shareholder or member thereof and which is declared to be exempt from federal or state income tax; and

(ii) Medical equipment leased for a term exceeding five years to such a nonprofit corporation or association which owns or operates a small, rural hospital and which uses the equipment solely for health care purposes at the hospital, provided that the property shall be exempt only during the term of the lease to such corporation or association, and further provided that "small, rural hospital" shall mean a hospital which meets all of the following criteria:

(aa) It has less than fifty Medicare-licensed acute care beds.

(bb) It is located in a municipality with a population of less than ten thousand which has been classified as an area with a shortage of health manpower by the United States Health Service; and

(b) Property leased to such a nonprofit corporation or association for use solely as housing for homeless persons, as defined by regulation adopted by the tax commission or its successor provided that the term of such lease shall be for at least five years, that as a condition of entering into the lease the property be in compliance with all applicable health and sanitation codes for use as housing for homeless persons, that the lease shall provide that compensation to be paid the lessor shall not exceed one dollar per year, and that such contract of lease shall recite that the property shall be used exclusively for the purpose of housing the homeless, and further provided that at such time as the property is no longer used solely as housing for homeless persons, the property shall no longer be exempt from taxation;

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(2) property of a bona fide labor organization representing its members or affiliates in collective bargaining efforts; and

(3) property of an organization such as a lodge or club organized for charitable and fraternal purposes and practicing the same, and property of a nonprofit corporation devoted to promoting trade, travel, and commerce, and also property of a trade, business, industry or professional society or association, if that property is owned by a nonprofit corporation or association organized under the laws of this state for such purposes.

(4)(a) None of the property listed in this Paragraph (B) shall be exempt if owned, operated, leased, or used for commercial purposes unrelated to the exempt purposes of the corporation or association.

(b)(i) None of the property listed in this Paragraph shall be exempt if the property is owned by a nonprofit corporation or association and the governing authority of the municipality or parish in which the property is located determines all of the following:

(aa) The property is leased as housing, is in a state of disrepair, and manifests conditions which endanger the health or safety of the public.

(bb) The owner of the property habitually neglects maintenance of the property as evidenced by three or more sustained code enforcement violations issued for the property in the prior twelve months for matters that endanger the health or safety of residents of the property or of persons in the area surrounding the property. For purposes of this Item, matters deemed to endanger health or safety include structural instability due to deterioration; injurious or toxic ventilation; contaminated or inoperable water supply; holes, breaks, rotting materials, or mold in walls; roof defects that admit rain; unsecured overhang extensions in danger of collapse; a hazardous electrical system; improper connection of fuel-burning appliances or equipment; an inactive or inoperable fire detection system; an unsecured or contaminated swimming pool; or any combination of these.

(ii) An ad valorem tax exemption denied or revoked pursuant to the provisions of Item (i) of this Subsubparagraph may be issued or reinstated if the
governing authority of the municipality or parish in which the property is located

determines that the conditions enumerated in Item (i) of this Subsubparagraph no

longer exist.

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Section 2. Be it further resolved that the provisions of the amendment contained in
this Joint Resolution shall be applicable to all tax years beginning on or after January 1,
2024.

Section 3. Be it further resolved that this proposed amendment shall be submitted
to the electors of the state of Louisiana at the statewide election to be held on October 14,
2023.

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

Do you support an amendment to deny a property tax exemption to a
nonprofit corporation or association that owns residential property in such a
state of disrepair that it endangers public health or safety? (Amends Article
VII, Section 21(B))

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE