

2015 Regular Session

HOUSE BILL NO. 671

BY REPRESENTATIVE STOKES

FUNDS/FUNDING: Dedicates the avails of certain state taxes on tobacco, nicotine products, alcoholic beverages and other monies to be distributed to certain political subdivisions which levy ad valorem taxes

1 AN ACT

2 To enact R.S. 39:100.146, relative to the dedication of state revenues; to dedicate the avails
3 of certain state taxes on tobacco, nicotine products, and alcoholic beverages; to
4 establish the Ad Valorem Tax Abatement Fund as a special treasury fund; to provide
5 for the deposit and use of monies in the fund; to authorize distributions from the fund
6 for support of certain political subdivisions; to provide for effectiveness; and to
7 provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 39:100.146 is hereby enacted to read as follows:

10 100.146. Tobacco and Nicotine Product Taxes; Alcoholic Beverage Taxes; Ad
11 Valorem Tax Abatement Fund; dedication to political subdivisions

12 A. Revenue Dedication. Beginning November 1, 2015, the avails of any and
13 all state taxes upon the sale, use, and consumption of tobacco products, nicotine
14 vapor products, alternative nicotine products and alcoholic beverages which are first
15 enacted during the 2015 Regular Session of the Legislature, hereafter referred to as
16 "state revenues" are hereby dedicated for annual allocation and distribution to those
17 political subdivisions of the state which as of that date impose an ad valorem tax on
18 property within their jurisdiction, hereinafter referred to as "eligible political
19 subdivisions".

1 B. Ad Valorem Tax Abatement Fund. There is hereby established a special
 2 fund within the state treasury to be known as the Ad Valorem Tax Abatement Fund,
 3 hereinafter referred to as "the fund". The purpose of the fund shall be administration
 4 of the state revenues dedicated to eligible political subdivisions as required in
 5 Paragraph A of this Section. After satisfying the requirements of the Bond Security
 6 and Redemption Fund as provided in Article VII, Section 9(B) of the constitution of
 7 Louisiana, the state treasurer shall deposit in and credit to the fund an amount equal
 8 to the state revenues. The treasurer shall distribute monies from the fund on a
 9 monthly basis in accordance with a formula to be established by law.

10 Section 2. This Act shall take effect and become operative if and when the proposed
 11 addition of Article VII of the Constitution of Louisiana contained in the Act which
 12 originated as House Bill No. ____ of this 2015 Regular Session of the Legislature is adopted
 13 at a statewide election and becomes effective.

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 671 Original

2015 Regular Session

Stokes

Abstract: Dedicates the avails of all state taxes on tobacco and nicotine products that are enacted during the 2015 Regular Session for allocation to political subdivisions which levy a property tax, and establishes the Ad Valorem Tax Abatement Fund for purposes of the dedication.

Proposed constitutional amendment, beginning November 1, 2015, dedicates the avails of those state taxes upon the sale, use, and consumption of tobacco products, nicotine vapor products, alternative nicotine products, and alcoholic beverages which are first enacted during the 2015 Regular Session of the legislature for annual allocation and distribution to political subdivisions which levy an ad valorem tax on property, as of Nov. 1, 2015 ("eligible political subdivisions").

Present constitution defines "political subdivision" as a parish, municipality, and any other unit of local government, including a school board, and a special district authorized by law to perform governmental functions.

Proposed constitutional amendment establishes the Ad Valorem Tax Abatement Fund as a special treasury fund, hereinafter referred to as "the fund", for administration of the state revenues dedicated to eligible political subdivisions pursuant to proposed constitutional amendment, as well as any other monies which may be designated by law for deposit into the fund. Requires the state treasurer, after satisfying the requirements of the Bond Security and Redemption Fund, to deposit in and credit to the fund an amount equal to the state

revenues. Monies will be distributed from the fund on a monthly basis in accordance with a formula to be established by law.

Effective Nov. 1, 2015, if and when the proposed amendment of Article VII of the Constitution of La. contained in the Act which originated as House Bill No. ___ of this 2015 R.S. of the Legislature is adopted at a statewide election and becomes effective.

(Adds R.S. 39:100.146)