

2016 Regular Session

HOUSE BILL NO. 1110

BY REPRESENTATIVE BROADWATER

TAX/TAX REBATES: Authorizes the state and local governing authorities to enter into a Cooperative Endeavor Agreement and Payment in Lieu of Tax Agreement with corporate taxpayers for certain transportation investments in exchange for future ad valorem property tax rebates

1 AN ACT

2 To enact Chapter 5 of Subtitle VII of Title 47 of the Louisiana Revised Statutes of 1950, to
3 be comprised of R.S. 47:6361, relative to rebates; to authorize certain public bodies
4 and tax recipient bodies to enter into certain agreements; to authorize certain
5 governing authorities and tax recipient bodies to grant certain rebates for future taxes
6 owed to such bodies; to require approval of certain agreements; to provide for the use
7 of the tax payments; to provide for certain limitations; to provide for certain
8 requirements; to provide for an effective date; and to provide for related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. Chapter 5 of Subtitle VII of Title 47 of the Louisiana Revised Statutes of
11 1950, to be comprised of R.S. 47:6361 is hereby enacted to read as follows:

12 CHAPTER 5. REBATES FOR TRANSPORTATION INVESTMENTS

13 §6361. Rebates; Cooperative Endeavor Agreements and Payment in Lieu of Tax
14 Agreements; transportation investments

15 A.(1) The state of Louisiana, through the division of administration, may
16 enter into a cooperative endeavor agreement with local governing authorities, tax
17 recipient bodies, and private corporations to negotiate the rebate of state and local
18 taxes paid by private corporate taxpayers in exchange for the private corporate

1 taxpayer's investment in transportation projects in which the state and local
2 governments, tax recipient bodies, and the corporations will benefit.

3 (2) Prior to the state entering into any cooperative endeavor agreement
4 authorized pursuant to the provisions of this Section, the cooperative endeavor
5 agreement shall be approved by the House Ways and Means Committee meeting
6 jointly with the Senate Revenue and Fiscal Affairs Committee and the House
7 Transportation, Highways, and Public Works Committee meeting jointly with the
8 Senate Transportation, Highways and Public Works Committee.

9 B.(1) The governing authority of a parish may collect ad valorem property
10 taxes pursuant to a Cooperative Endeavor Agreement and Payment in Lieu of Tax
11 Agreement voluntarily entered into by a corporate taxpayer which has been approved
12 by resolution of the parish governing authority. Additionally, other local tax
13 recipient bodies in a parish that enter into a Cooperative Endeavor Agreement and
14 Payment in Lieu of Tax Agreement shall be authorized to collect ad valorem
15 property taxes pursuant to the Cooperative Endeavor Agreement and Payment in
16 Lieu of Tax Agreement voluntarily entered into by a corporate taxpayer and
17 previously approved by resolution of the tax recipient body and the parish governing
18 authority.

19 (2) The use of the ad valorem property taxes by the parish governing
20 authority which are paid by the corporate taxpayer pursuant to a Cooperative
21 Endeavor Agreement and Payment in Lieu of Tax Agreement shall be included in
22 the terms of the agreement between the parties. The parish governing authority shall
23 be prohibited from using the avails of the tax collection for any purpose outside of
24 the scope of the agreement.

25 C. In exchange for the payment of ad valorem taxes by the corporate
26 taxpayer, the parish governing authority and other tax recipient bodies in the parish
27 may grant future ad valorem tax rebates to the corporate taxpayer based upon ad
28 valorem property tax collections pursuant to an approved Cooperative Endeavor
29 Agreement and Payment in Lieu of Tax Agreement.

1 D. In accordance with the provisions of Sections 18 and 20 of Article VII of
2 the Constitution of Louisiana, payments of ad valorem property taxes pursuant to a
3 previously approved Cooperative Endeavor Agreement and Payment in Lieu of Tax
4 Agreement shall entitle the corporate taxpayer making the payments to future ad
5 valorem property tax rebates from the parish governing authority and other tax
6 recipient bodies in the parish in amounts designated in the previously approved
7 Cooperative Endeavor Agreement and Payment in Lieu of Tax Agreement.

8 Section 2. This Act shall take effect and become operative if and when the Act
9 which originated as House Bill No. (HLS 16RS-2029) of this 2016 Regular Session of the
10 Legislature is enacted 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 1110 Original	2016 Regular Session	Broadwater
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Abstract: Authorizes the state and local governing authorities and tax recipient bodies to enter into a Cooperative Endeavor Agreement and Payment in Lieu of Tax Agreement with a corporate taxpayer and to grant tax rebates for future taxes in exchange for the corporate taxpayer's investment in transportation projects.

Proposed law authorizes the state, through the division of administration, to enter into a cooperative endeavor agreement with local governing authorities, tax recipient bodies, and private corporations to negotiate the rebate of state and local taxes paid by private corporate taxpayers in exchange for the private corporate taxpayer's investment in transportation projects.

Proposed law requires approval by the House Ways and Means Committee meeting jointly with the Senate Revenue and Fiscal Affairs Committee and the House and Senate Transportation, Highways and Public Works Committees meeting jointly prior to the state entering into the cooperative endeavor agreement.

Proposed law authorizes the governing authority of a parish to collect ad valorem property taxes pursuant to a Cooperative Endeavor Agreement and Payment in Lieu of Tax Agreement (hereinafter "agreement") voluntarily entered into by a corporate taxpayer which has been approved by resolution of the parish governing authority. Further authorizes local tax recipient bodies in a parish that enters into an agreement to collect ad valorem property taxes pursuant to the agreement.

Proposed law requires the use of the ad valorem property taxes by the parish governing authority which are paid by the corporate taxpayer pursuant to an agreement to be included in the terms of the agreement between the parties. Proposed law prohibits a parish governing authority from using the avails of the taxes collected for any purpose outside of the scope of the agreement.

Proposed law authorizes the parish governing authority and other tax recipient bodies to grant future ad valorem tax rebates to the corporate taxpayer in exchange for the payment of ad valorem taxes by the corporate taxpayer that is used for transportation investments.

Effective if and when House Bill No. (HLS 16RS-2029) of this 2016 R.S. is enacted and becomes effective.

(Adds R.S. 47:6361)