
DIGEST

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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)