

2019 Regular Session

HOUSE BILL NO. 301

BY REPRESENTATIVE MIGUEZ

TAX/AD VALOREM-EXEMPTION: Extends the ad valorem tax exemption for raw materials, goods, commodities, and other property to certain property destined for the Outer Continental Shelf

1 AN ACT

2 To amend and reenact R.S. 47:1951.2 and 1951.3, relative to ad valorem tax exemptions; to
3 authorize an exemption for certain property destined for the Outer Continental Shelf;
4 to provide for certain definitions; to provide for an effective date; and to provide for
5 related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:1951.2 and 1951.3 are hereby amended and reenacted to read as
8 follows:

9 §1951.2. Exports subject to ad valorem taxation

10 A. For the purpose of ad valorem taxation, raw materials, goods,
11 commodities and other articles held in this state for the purpose of being exported
12 from this state to a point outside the continental United States, shall be regarded as
13 severed from the mass of the property of this state from and after the time the same
14 are placed upon the public property of a port authority or docks of any common
15 carrier, or in a public or private warehouse, grain elevator, dock, wharf, or other
16 public storage facility in which same are being loaded, unloaded, or accumulated
17 while being so exported. For purposes of this Section "held in this state for the
18 purposes of being exported" shall include raw materials, goods, commodities, and

1 other articles stored in Louisiana for maintenance or with a destination to the Outer
2 Continental Shelf.

3 B. All such property whether entitled to exemption or not shall be reported
4 to the proper taxing authority on the forms required by law.

5 §1951.3. Property stored in transit while moving in interstate commerce

6 A. For the purpose of ad valorem taxation, raw materials, goods,
7 commodities and personal property stored in transit in the state while moving in
8 interstate commerce shall not be treated as incorporated into the mass of the property
9 in this state during the time that such raw materials, goods, commodities or personal
10 property, received from outside the state, are held by any owner in public or private
11 storage to be shipped to a point outside the state of Louisiana, whether specified
12 when transportation begins or afterward. For purposes of this Section "stored in
13 transit in the state" shall include raw materials, goods, commodities and personal
14 property stored in Louisiana for maintenance or with a destination to the Outer
15 Continental Shelf.

16 B. All such property whether entitled to exemption or not shall be reported
17 to the proper taxing authority on the forms required by law.

18 Section 2. This Act shall take effect and become operative if and when the proposed
19 amendment of Article VII of the Constitution of Louisiana contained in the Act which
20 originated as House Bill No. ____ of this 2019 Regular Session of the Legislature is adopted
21 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 301 Engrossed

2019 Regular Session

Miguez

Abstract: Extends the ad valorem tax exemption on raw materials, goods, commodities, personal property, and other articles stored in La. to those items stored in public and private warehouses, for maintenance or with a destination to the Outer Continental Shelf.

Present law and present constitution provides for the exemption of ad valorem taxation on raw materials, goods, commodities, and other activities held in La. for the purpose of being

exported from this state to a point outside the continental U.S. Present law further regards these items to be regarded as severed from the mass property of this state from the time they are loaded for export.

Proposed law retains present law and defines "held in this state for the purposes of being exported" to include those held for maintenance or exportation to the Outer Continental Shelf.

Present law provides for the storage of raw materials, goods, commodities, and other activities on certain property, including warehouses.

Proposed law retains present law and specifies raw materials, goods, commodities, and other activities may be stored in public *and private* warehouses.

Present law provides for the exemption of ad valorem taxation on goods, commodities, and personal property stored in transit in Louisiana while moving through interstate commerce for the purpose of being shipped from this state to a point outside the state. Further provides that these items shall not be treated as property of this state during the time the property is stored.

Proposed law retains present law and defines "stored in transit in this state" to include those goods, commodities, and personal property stored for maintenance or shipped to the Outer Continental Shelf.

Effective Dec. 1, 2019.

(Amends R.S. 47:1951.2 and 1951.3)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the original bill:

1. Remove the extension of the exemption to items that are being stored until they are ready to be used.