

2020 Regular Session

HOUSE BILL NO. 526

BY REPRESENTATIVE IVEY

TAX/AD VALOREM-EXEMPTION: (Constitutional Amendment) Establishes an ad valorem tax exemption for certain property subject to a cooperative endeavor agreement requiring the property owner to make payments in lieu of taxes

1 A JOINT RESOLUTION

2 Proposing to add Article VII, Section 21(O) of the Constitution of Louisiana, relative to ad
3 valorem property tax exemptions; to establish an exemption for certain non-
4 residential property subject to a cooperative endeavor agreement requiring payments
5 in lieu of taxes; to provide for certain requirements and limitations; to provide for
6 submission of the proposed amendment to the electors; to provide for effectiveness;
7 and to provide for related matters.

8 Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members
9 elected to each house concurring, that there shall be submitted to the electors of the state of
10 Louisiana, for their approval or rejection in the manner provided by law, a proposal to add
11 Article VII, Section 21(O) of the Constitution of Louisiana, to read as follows:

12 §21. Other Property Exemptions

13 Section 21. In addition to the homestead exemption provided for in Section
14 20 of this Article, the following property and no other shall be exempt from ad
15 valorem taxation:

16 * * *

17 (O) Non-residential property subject to a cooperative endeavor agreement,
18 as provided by law and this constitution, between the owner and one or more taxing
19 authorities which agreement requires the property owner to make payments in lieu

1 of taxes. Non-residential property eligible for this exemption shall be established by
2 law.

3 (1) The exemption authorized under this Paragraph shall be to the extent
4 agreed to and provided for in the cooperative endeavor agreement. All property made
5 part of the cooperative endeavor agreement shall be listed on the assessment rolls
6 and submitted to the Louisiana Tax Commission.

7 (2) Enactment of any law to implement this Paragraph and any amendment
8 to that law shall require a two-thirds vote of the elected members of each house of
9 the legislature.

10 Section 2. Be it further resolved that the provisions of the amendment contained in
11 this Joint Resolution shall become effective on January 1, 2021.

12 Section 3. Be it further resolved that this proposed amendment shall be submitted
13 to the electors of the state of Louisiana at the statewide election to be held on November 3,
14 2020.

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

19 Do you support an amendment to grant a property tax exemption for non-
20 residential property subject to a cooperative endeavor agreement with local
21 taxing authorities allowing the property owner to make payments in place of
22 property taxes and to require a two-thirds vote of the legislature to enact laws
23 related to the exemption? (Effective January 1, 2021) (Adds Article VII,
24 Section 21(O))

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 526 Original

2020 Regular Session

Ivey

Abstract: Establishes an ad valorem tax exemption for non-residential property subject to a cooperative endeavor agreement that requires the property owner to make payments in lieu of ad valorem taxes.

Present constitution authorizes the imposition of ad valorem property taxes by local governments, school boards, and other special districts.

Present constitution establishes a list of exclusive ad valorem tax exemptions.

Proposed constitutional amendment changes present constitution by creating an exemption for non-residential property subject to a cooperative endeavor agreement requiring the property owner to make payments in lieu of the ad valorem taxes imposed by a taxing authority party to the agreement. The extent of the exemption shall be as provided for in the agreement.

Proposed constitutional amendment provides the specific property eligible for this exemption shall be established in law.

Proposed constitutional amendment requires that any law enacted to implement this payment in lieu of taxes program will require a two-thirds vote of both houses of the legislature.

Proposed constitutional amendment requires that exempt properties be listed on the assessment rolls and that information concerning those properties be submitted to the La. Tax Commission.

Provides for submission of the proposed amendment to the voters at the statewide election to be held Nov. 3, 2020.

Effective Jan. 1, 2021

(Adds Article VII, Sec. 21(O))