

SENATE BILL NO. 140

BY SENATORS WALSWORTH AND THOMPSON

A JOINT RESOLUTION

Proposing to enact Article VII, Section 21(N) of the Constitution of Louisiana, relative to ad valorem tax exemptions; to provide for the exemption of certain property under construction; and to specify an election for submission of the proposition to electors and provide a ballot proposition.

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

§21. Other Property Exemptions

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

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**(N)(1) All property delivered to a construction project site for the purpose of incorporating the property into any tract of land, building, or other construction as a component part, including the type of property that may be deemed to be a component part once placed on an immovable for its service and improvement pursuant to the provisions of the Louisiana Civil Code of 1870, as amended. The exemption provided for in this Paragraph shall be applicable until the construction project for which the property has been delivered is complete. A construction project shall be deemed complete when construction is finished to the extent that the project can be used or occupied for its intended purpose. A construction project shall not be deemed complete during its inspection, testing, or commissioning stages, as defined by reasonable industry**

1           standards.

2                   (2) Notwithstanding the provisions of Subparagraph (1) of this  
3           Paragraph, this exemption shall not apply to any of the following:

4                   (a) Any portion of a construction project that is complete, available for  
5           its intended use, or operational on the date that property is assessed.

6                   (b) For projects constructed in two or more distinct phases, any phase  
7           of the construction project that is complete, available for its intended use, or  
8           operational on the date the property is assessed.

9                   (c) Any public service property, unless the public service property is  
10          otherwise eligible for an exemption provided by any other provision of this  
11          constitution.

12          Section 2. 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 October 14,  
14          2017.

15          Section 3. Be it further resolved that on the official ballot to be used at said 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 exempt from property taxes materials and  
20                   other property delivered to a construction site to be made part of a building  
21                   or other construction?

22                   (Adds Article VII, Section 21(N))

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PRESIDENT OF THE SENATE

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SPEAKER OF THE HOUSE OF REPRESENTATIVES