

LOUISIANA ILLUMINATOR

Amendment 5 opponents say Louisiana lawmakers should take the amendment's defeat to heart

'The people are tired' of corporate tax exemptions, one opponent says

By JC Canisosa – November 5, 2020

During Tuesday's statewide election, Louisiana voters rejected Amendment 5, which would have allowed some manufacturers to avoid the property taxes they would otherwise owe local taxing jurisdictions for new projects or additions and instead negotiate lower payments with those jurisdictions.



Edgar Cage, a leader of **Together Louisiana**, a statewide network of congregations and civic organizations, and an opponent of the Amendment, called it “corporate welfare” and another tax loophole that allows corporations to avoid paying their fair share.

Sixty-three percent of Louisiana voters, or a total of 1,221,197, voted against the amendment.

The bill that placed Amendment 5 on the ballot was introduced during this year's regular session by Sen. Mark Abraham, R-Lake Charles. He described it as an amendment that would let a local jurisdiction, such as a sheriff's office or school board, quickly get money for a big capital project by negotiating lower tax payments with a manufacturer.

As quoted by the American Press, Abraham said during that session, “No one is forcing anyone to do this agreement. It's another tool in the tool chest for local governments if they have a badly-needed project. If local government and industry can agree, then it can happen.”

Ashley Shelton, executive director for the Power Coalition for Equity and Justice and another opponent of Amendment 5, said the proposed amendment have stood against the Power Coalition’s core belief in fiscal fairness by “allowing companies that already receive huge tax breaks to benefit even more, as our schools, roads, and other essential public services crumble.”

Cage said voters’ rejection of the amendment should be a clear sign to the Louisiana Legislature.

“Enough is enough. The people are tired and don’t want to give any more of these tax exemptions away (like) our legislature and the board of commerce have been doing for years,” Cage said. “If you represent your constituency, you need to listen to what they’re saying.”

During last month’s special session, the Louisiana Legislature passed [a bill that would give an estimated \\$48 million in tax exemptions](#) to the oil and gas industry. In June, the Louisiana Board of Commerce and Industry approved [tax breaks for multiple Louisiana companies](#) worth more than \$148 million next year alone under a program critics call “corporate welfare.”

Cage said even though Amendment 5 failed to pass, he expects there will be future attempts to get more corporate tax exemptions passed.

“We’re going to be vigilant and watch, but we want our legislators to be on call and on notice that they need to listen to the will of the people,” Cane said. “This vote is loud and clear that the people are tired of giving those exemptions and incentives to corporations.”