

CAN ITEP REFORM LOWER PROPERTY TAX RATES?

2019 Reverse Robinhood Index™, by Parish

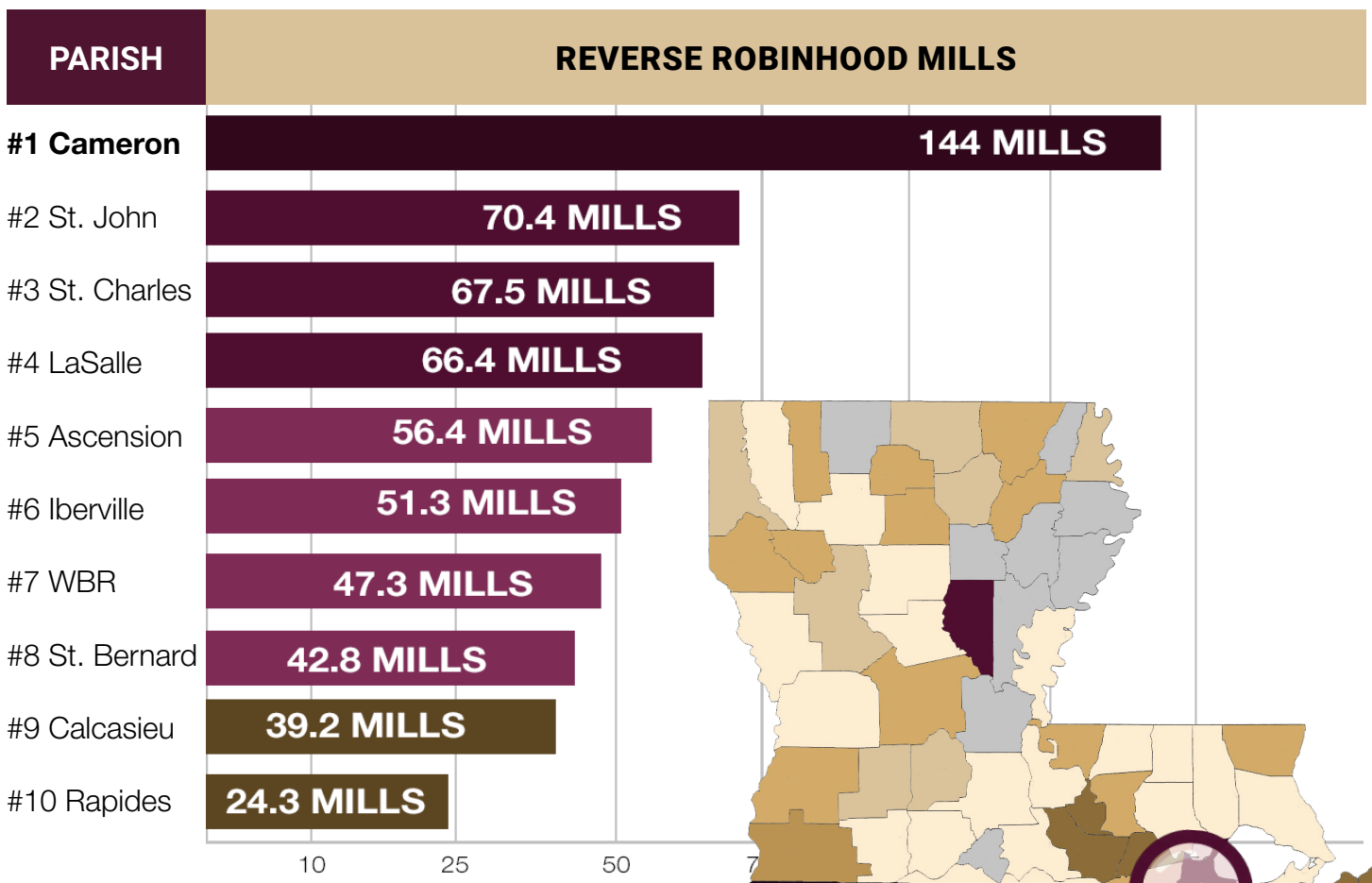


WHAT IS THE REVERSE ROBINHOOD INDEX?

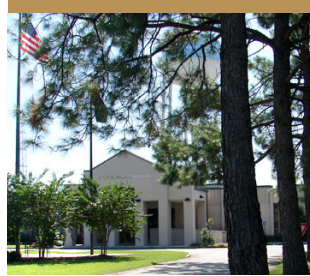
The Reverse Robinhood Index measures the extent to which each parish's homeowners and small businesses are subsidizing industrial property tax exemptions. It quantifies the change, in mills*, and tax savings each parish's property taxpayers would experience if its tax-exempt industrial property is allowed to return to the tax rolls.

Data Source: Louisiana Tax Commission, 2018 Annual Report

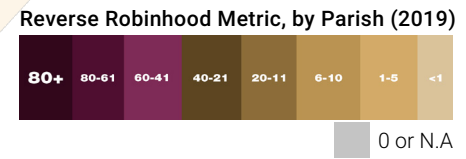
10 LOUISIANA PARISHES WITH THE HIGHEST REVERSE ROBINHOOD METRIC



* The millage rate is the amount per \$1,000 of property value that is used to calculate local property taxes.



Parish Snapshot:
ST. JOHN PARISH
 2018 Millage: **124.8**
 2018 ITEP-Reform Millage: **54.4**
REVERSE ROBINHOOD METRIC: 70.4



THE IMPACT BY THE NUMBERS

| Parish | Current Tax Rate (Rank) | Tax Rate Adjusted for ITEP Reform (Rank) | Avg. homeowner, potential savings/ yr | Avg. business, potential savings / yr |
|---------------------|-------------------------|--|---------------------------------------|---------------------------------------|
| 1. Cameron | 148 (5th) | 4 (64th) | \$1841 | \$2,952 |
| 2. St. John | 125 (13th) | 54.4 (58th) | \$556 | \$4,200 |
| 3. St. Charles | 117 (18th) | 49.9 (61st) | \$889 | \$9,674 |
| 4. LaSalle | 155 (2nd) | 88.3 (38th) | \$603 | \$624 |
| 5. Ascension | 108 (27th) | 51.9 (60th) | \$799 | \$3,688 |
| 6. Iberville | 104 (37th) | 52.9 (59th) | \$463 | \$7,266 |
| 7. West Baton Rouge | 115 (21st) | 67.6 (50th) | \$630 | \$3,632 |
| 8. St. Bernard | 144 (8th) | 101 (23rd) | \$506 | \$1,137 |
| 9. Calcasieu | 108 (28th) | 68.4 (49th) | \$515 | \$1,461 |
| 10. Rapides | 115 (20th) | 90.7 (28th) | \$251 | \$446 |

ABOUT THE STUDY

This report examines the property tax impact in each parish of allowing industrial property that currently is exempt under a 10-year industrial tax exemption to return to the tax rolls after its exemption period expires, without recycling through new exemptions for "replacement value" investments. (In theory, exemptions for replacement value already are prohibited under the ITEP program, but in practice, they are still common.)

Restoring tax-exempt property to the tax rolls would decrease rates because, under state law, any increase to the property tax base of a parish triggers a "roll back" of taxing bodies' ad valorem rates to the millage level generating the amount of revenue voters originally approved for that millage. Taxing bodies can vote to "roll forward" a millage to raise additional revenue, but the default, under state law, is a lowered rate with constant revenue.

This study examines how property tax rates would be affected in each parish, assuming:

- a) the parish's currently tax-exempt industrial property is allowed to return to the tax rolls after its exemption expires, and
- b) millage rates are allowed by taxing bodies to adjust to raise the same revenue they do now (i.e. no "roll-forwards")

The study does not assume all future industrial tax exemptions would be rejected. On the contrary, it assumes that exemptions would be approved for investments creating net new value — i.e. new plants or expansions — but rejected for replacement-value exemptions.

About Together Louisiana

Together Louisiana is a statewide network of more than 250 religious congregations and civic organizations across Louisiana, representing more than 200,000 people. It is one of the largest grassroots organizations in the history of Louisiana.





CAN ITEP REFORM LOWER PROPERTY TAXES?

Data Source: Louisiana Tax Commission, 2018 Annual Report

ABOUT THE STUDY

This report examines the property tax impact in each parish of allowing industrial property that currently is exempt under a 10-year industrial tax exemption to return to the tax rolls after its exemption period expires, without recycling through new exemptions for "replacement value" investments. (In theory, exemptions for replacement value already are prohibited under the ITEP program, but in practice, they are still common.)

Restoring tax-exempt property to the tax rolls would decrease rates because, under state law, any increase to the property tax base of a parish triggers a "roll back" of taxing bodies' ad valorem rates to the millage level generating the amount of revenue voters originally approved for that millage. Taxing bodies can vote to "roll forward" a millage to raise additional revenue, but the default, under state law, is a lowered rate with constant revenue.

This study examines how property tax rates would be affected in each parish, assuming:

- a) the parish's currently tax-exempt industrial property is allowed to return to the tax rolls after its exemption expires, and
- b) millage rates are allowed by taxing bodies to adjust to raise the same revenue they do now (i.e. no "roll-forwards")

The study does not assume all future industrial tax exemptions would be rejected. On the contrary, it assumes that exemptions would be approved for investments creating net new value — i.e. new plants or expansions -- but rejected for replacement-value exemptions.

WHAT IS THE REVERSE ROBINHOOD INDEX?

The index quantifies the change, in mills, each parish's property tax rates would experience if its tax-exempt industrial property is allowed to return to the tax rolls. Applyign this millage adjustment to average property values allows one to quantify the extent to which each parish's homeowners and small businesses are subsidizing industry (the yellow and blue columns below).

| Reverse Robin Hood Rank | PARISH | "Reverse Robin Hood" mills | Current property tax millage (2018) | Property tax rank (out of 64 parishes) | Millage if ITEP-exempt property returns to rolls | Parish property tax rank (out of 64) | Savings to avg homeowner | Savings to avg business |
|-------------------------|------------------|----------------------------|-------------------------------------|--|--|--------------------------------------|--------------------------|-------------------------|
| | STATEWIDE | 34.3 | 110 | - | 76.1 | - | \$338 | \$582 |
| #1 | CAMERON | 144.0 | 148 | 5 | 3.6 | 64 | \$1,841 | \$2,952 |
| #2 | ST. JOHN | 70.4 | 125 | 13 | 54.4 | 58 | \$556 | \$4,200 |
| #3 | ST. CHARLES | 67.5 | 117 | 18 | 49.9 | 61 | \$889 | \$9,674 |
| #4 | LASALLE | 66.4 | 155 | 2 | 88.3 | 38 | \$603 | \$624 |
| #5 | ASCENSION | 56.4 | 108 | 27 | 51.9 | 60 | \$799 | \$3,688 |
| #6 | IBERVILLE | 51.3 | 104 | 37 | 52.9 | 59 | \$463 | \$7,266 |
| #7 | WEST BATON ROUGE | 47.3 | 115 | 21 | 67.6 | 50 | \$630 | \$3,632 |
| #8 | ST. BERNARD | 42.8 | 144 | 8 | 101.0 | 23 | \$506 | \$1,137 |
| #9 | CALCASIEU | 39.2 | 108 | 28 | 68.4 | 49 | \$515 | \$1,461 |
| #10 | RAPIDES | 24.3 | 115 | 20 | 90.7 | 28 | \$251 | \$446 |

| Reverse Robin Hood Rank | PARISH | "Reverse Robin Hood" mills | Current property tax millage (2018) | Property tax rank (out of 64 parishes) | Millage if ITEP-exempt property returns to rolls | Parish property tax rank (out of 64) | Savings to avg homeowner | Savings to avg business |
|-------------------------|------------------|----------------------------|-------------------------------------|--|--|--------------------------------------|--------------------------|-------------------------|
| #11 | DESOTO | 21.7 | 112 | 23 | 90.4 | 29 | \$285 | \$1,249 |
| #12 | RICHLAND | 21.6 | 82 | 52 | 60.8 | 54 | \$270 | \$613 |
| #13 | BEAUREGARD | 21.3 | 120 | 16 | 98.9 | 24 | \$204 | \$568 |
| #14 | WASHINGTON | 20.8 | 110 | 24 | 89.6 | 34 | \$154 | \$315 |
| #15 | JACKSON | 17.3 | 107 | 29 | 90.1 | 31 | \$207 | \$556 |
| #16 | WEST FELICIANA | 17.0 | 74 | 58 | 57.2 | 56 | \$373 | \$1,734 |
| #17 | RED RIVER | 15.5 | 106 | 33 | 90.2 | 30 | \$140 | \$1,224 |
| #18 | ASSUMPTION | 15.4 | 105 | 34 | 89.5 | 35 | \$138 | \$410 |
| #19 | WEBSTER | 14.6 | 104 | 38 | 89.0 | 37 | \$147 | \$231 |
| #20 | LINCOLN | 14.0 | 77 | 54 | 63.4 | 53 | \$544 | \$261 |
| #21 | MOREHOUSE | 12.5 | 91 | 46 | 78.8 | 44 | \$96 | \$104 |
| #22 | EAST BATON ROUGE | 12.4 | 118 | 17 | 105.7 | 16 | \$220 | \$313 |
| #23 | ST. MARY | 11.7 | 98 | 42 | 85.8 | 41 | \$132 | \$209 |
| #24 | EAST CARROLL | 10.5 | 132 | 11 | 121.4 | 10 | \$49 | \$101 |
| #25 | ALLEN | 10.3 | 147 | 6 | 137.1 | 5 | \$84 | \$408 |
| #26 | CADDO | 9.9 | 136 | 9 | 125.7 | 7 | \$153 | \$122 |
| #27 | PLAQUEMINES | 7.6 | 66 | 61 | 58.4 | 55 | \$160 | \$488 |
| #28 | EVANGELINE | 6.8 | 72 | 59 | 65.3 | 52 | \$62 | \$189 |
| #29 | UNION | 6.5 | 82 | 53 | 75.7 | 46 | \$64 | \$49 |
| #30 | OUACHITA | 6.4 | 92 | 44 | 86.0 | 40 | \$74 | \$131 |
| #31 | NATCHITOCHE | 6.1 | 92 | 45 | 86.1 | 39 | \$106 | \$135 |
| #32 | ORLEANS | 5.6 | 151 | 3 | 145.5 | 3 | \$183 | \$130 |
| #33 | TERREBONNE | 4.6 | 98 | 41 | 93.6 | 26 | \$55 | \$105 |
| #34 | LIVINGSTON | 4.3 | 110 | 25 | 105.2 | 17 | \$48 | \$59 |
| #35 | EAST FELICIANA | 3.9 | 50 | 64 | 45.6 | 63 | \$34 | \$100 |
| #36 | CONCORDIA | 3.9 | 106 | 31 | 102.2 | 19 | \$54 | \$82 |
| #37 | WINN | 3.8 | 99 | 40 | 95.3 | 25 | \$36 | \$38 |
| #38 | GRANT | 3.7 | 162 | 1 | 158.6 | 1 | \$21 | \$109 |
| #39 | PT. COUPEE | 3.7 | 53 | 63 | 49.5 | 62 | \$53 | \$184 |
| #40 | IBERIA | 3.6 | 71 | 60 | 67.5 | 51 | \$36 | \$150 |
| #41 | JEFFERSON DAVIS | 3.5 | 105 | 34 | 101.4 | 21 | \$32 | \$52 |
| #42 | LAFOURCHE | 3.3 | 122 | 15 | 118.9 | 11 | \$35 | \$229 |
| #43 | ST. JAMES | 3.2 | 107 | 30 | 104.1 | 18 | \$75 | \$376 |
| #44 | JEFFERSON | 2.9 | 105 | 36 | 101.8 | 20 | \$44 | \$115 |
| #45 | VERMILION | 2.3 | 94 | 43 | 91.6 | 27 | \$20 | \$23 |

| Reverse Robin Hood Rank | PARISH | "Reverse Robin Hood" mills | Current property tax millage (2018) | Property tax rank (out of 64 parishes) | Millage if ITEP-exempt property returns to rolls | Parish property tax rank (out of 64) | Savings to avg homeowner | Savings to avg business |
|-------------------------|--------------|----------------------------|-------------------------------------|--|--|--------------------------------------|--------------------------|-------------------------|
| #46 | BIENVILLE | 2.2 | 113 | 22 | 110.8 | 13 | \$7 | \$56 |
| #47 | ACADIA | 1.9 | 76 | 56 | 73.7 | 48 | \$18 | \$31 |
| #48 | BOSSIER | 1.8 | 116 | 19 | 114.3 | 12 | \$24 | \$35 |
| #49 | ST. TAMMANY | 1.5 | 145 | 7 | 143.9 | 4 | \$21 | \$27 |
| #50 | ST. MARTIN | 1.2 | 103 | 39 | 101.3 | 22 | \$12 | \$21 |
| #51 | SABINE | 1.1 | 91 | 47 | 90.0 | 32 | \$7 | \$9 |
| #52 | ST. LANDRY | 1.1 | 57 | 62 | 55.5 | 57 | \$12 | \$24 |
| #53 | VERNON | 0.9 | 124 | 14 | 123.0 | 9 | \$10 | \$21 |
| #54 | TANGIPAHOA | 0.2 | 89 | 49 | 89.2 | 36 | \$2 | \$3 |
| #55 | ST. HELENA | 0.1 | 149 | 4 | 148.8 | 2 | \$0 | \$1 |
| #56 | LAFAYETTE | 0.0 | 85 | 50 | 84.7 | 42 | \$1 | \$1 |
| #57 | AVOUELLES | 0.0 | 76 | 55 | 76.0 | 45 | \$0 | \$0 |
| #58 | CALDWELL | 0.0 | 134 | 10 | 133.8 | 6 | \$0 | \$0 |
| #59 | CATAHOULA | 0.0 | 90 | 48 | 90.0 | 33 | \$0 | \$0 |
| #59 | CLAIBORNE | 0.0 | 83 | 51 | 83.3 | 43 | \$0 | \$0 |
| #59 | FRANKLIN | 0.0 | 106 | 32 | 105.9 | 15 | \$0 | \$0 |
| #59 | MADISON | 0.0 | 109 | 26 | 108.5 | 14 | \$0 | \$0 |
| #59 | TENSAS | 0.0 | 125 | 12 | 125.3 | 8 | \$0 | \$0 |
| #59 | WEST CARROLL | 0.0 | 75 | 57 | 75.1 | 47 | \$0 | \$0 |