HLS 19RS-24 ORIGINAL

2019 Regular Session

HOUSE BILL NO. 136

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BY REPRESENTATIVE PYLANT

TAX EXEMPTIONS/HOMESTEAD: (Constitutional Amendment) Establishes the assessed valuation at which the homestead exemption applies

A JOINT RESOLUTION

2 Proposing to amend Article VII, Sections 20(A)(1) and 23(B) of the Constitution of 3 Louisiana, relative to ad valorem tax; to provide that the homestead exemption does 4 not apply to the first one thousand dollars of assessed valuation; to prohibit 5 reappraisal of or adjustment of millages under certain circumstances; to provide for an effective date; to provide for submission of the proposed amendment to the 6 7 electors; 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 11 amend Article VII, Sections 20(A)(1) and 23(B) of the Constitution of Louisiana, to read as 12 follows: 13 §20. Homestead Exemption 14 Section 20.(A) Homeowners. 15 (1) The bona fide homestead, consisting of a tract of land or two or more 16 tracts of land even if the land is classified and assessed at use value pursuant to 17 Article VII, Section 18(C) of this constitution, with a residence on one tract and a 18 field with or without timber on it, pasture, or garden on the other tract or tracts, not 19 exceeding one hundred sixty acres, buildings and appurtenances, whether rural or 20 urban, owned and occupied by any person or persons owning the property in

Page 1 of 4

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indivision, shall be exempt from state, parish, and special ad valorem taxes to the extent of seven thousand five hundred dollars of the assessed valuation which is in excess of the first one thousand dollars of the assessed valuation. The same homestead exemption shall also fully apply to the primary residence, including a mobile home, which serves as a bona fide home and which is owned and occupied by any person or persons owning the property in indivision, regardless of whether the homeowner owns the land upon which the home or mobile home is sited; however, this homestead exemption shall not apply to the land upon which such primary residence is sited if the homeowner does not own the land.

* * *

§23. Adjustment of Ad Valorem Tax Millages

Section 23.

* * *

(B) Subsequent Adjustments. Except as otherwise permitted in this Section, the total amount of ad valorem taxes collected by any taxing authority in the year in which the reappraisal and valuation provisions of Section 18, Paragraph (F) of this Article are implemented shall not be increased or decreased because of a reappraisal or valuation or increases or decreases in the homestead exemption above or below the total amount of ad valorem taxes collected by that taxing authority in the year preceding implementation of the reappraisal and valuation. To accomplish this result, the provisions of millage adjustments relative to implementation of Section 18 and Section 20 of this Article, as set forth in Paragraph (A) of this Section shall be mandatory. Thereafter, following implementation of each subsequent reappraisal and valuation required by Paragraph (F) of Section 18 of this Article, the millages as fixed in each such implementation shall remain in effect unless changed as permitted by Paragraph (C) of this Section. The implementation of the increase in the amount of assessed valuation at which the homestead exemption shall apply pursuant to the provisions of Subparagraph (A)(1) of Section 20 of this Article,

1 which provision becomes effective January 1, 2020, shall neither trigger nor be cause 2 for a reappraisal of property or an adjustment of millages pursuant to this Paragraph. 3 4 Section 2. Be it further resolved that the provisions of the amendments contained in 5 this Joint Resolution shall become effective January 1, 2020. 6 Section 3. Be it further resolved that this proposed amendment shall be submitted 7 to the electors of the state of Louisiana at the statewide election to be held on October 12. 8 2019. 9 Section 4. Be it further resolved that on the official ballot to be used at the election, 10 there shall be printed a proposition, upon which the electors of the state shall be permitted 11 to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as 12 follows: 13 Do you support an amendment to make the first ten thousand dollars of a 14 homestead's fair market value subject to property tax, with the current 15 homestead exemption applying to the next seventy-five thousand dollars of 16 fair market value, and precluding the taxing authority from otherwise 17 reappraising or adjusting millages as a result of the passage of this provision? 18 (Effective January 1, 2020) (Amends Article VII, Sections 20(A)(1) and 19 23(B))

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 136 Original

2019 Regular Session

Pylant

Abstract: Imposes property taxes on a homestead's first \$10,000 of fair market value while retaining, above that amount, the \$75,000 homestead exemption.

<u>Present constitution</u> exempts from certain property taxes the first \$7,500 of assessed valuation (\$75,000 of fair market value) of a homestead.

<u>Proposed constitutional amendment</u> retains provisions of <u>present constitution</u> as it relates to the amount of the exemption but applies that exemption only after the first \$1,000 of assessed valuation (\$10,000 of fair market value) of a homestead is taxed.

Page 3 of 4

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<u>Proposed constitutional amendment</u> specifies that the implementation of this provision shall neither trigger nor be cause for a reappraisal of millage adjustments.

Provides for submission of the proposed amendment to the voters at the statewide election to be held October 12, 2019.

Effective Jan. 1, 2020.

(Amends Const. Art. VII, §§20(A)(1) and 23(B))