

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

11 * * *

12 (11)(a) The amount of ad valorem taxes which are due in any year on a
 13 homestead with an assessed value of less than eighty-five thousand dollars shall be
 14 deferred and reduced to a tax deferral lien to be placed on the property of any owner
 15 who is eligible and applies for tax deferral as provided for in this Subparagraph. A
 16 tax deferral lien shall only be collectable upon a transfer of ownership of the
 17 property. The existence of any unpaid taxes associated with a tax deferral lien shall
 18 not cause the property to be subject to tax sale under Article VII, Section 25 of this
 19 constitution. Tax deferral shall be available only with respect to a homestead which
 20 is owned and occupied by a person meeting either of the following eligibility criteria:

21 (i) The owner's annual family income for the preceding calendar year did not
 22 exceed the current federal poverty level applicable to Louisiana based on the United
 23 States federal poverty guidelines published annually by the United States Department
 24 of Health and Human Services or its successor.

25 (ii) The owner qualifies for the special assessment level pursuant to Article
 26 VII, Section 18(G)(1)(a)(i)(dd) of this constitution.

27 (b) An eligible owner or the owner's spouse or other legally qualified
 28 representative shall apply for the tax deferral by filing with the parish assessor a
 29 signed application and documentary proof establishing that the owner qualifies for

1 Section 3. Be it further resolved that this proposed amendment shall be submitted
2 to the electors of the state of Louisiana at the statewide election to be held on November 2,
3 2010.

4 Section 4. Be it further resolved that on the official ballot to be used at said election
5 there shall be printed a proposition, upon which the electors of the state shall be permitted
6 to vote FOR or AGAINST, to amend the Constitution of Louisiana, which proposition shall
7 read as follows:

8 To increase the level of assessed value at which the homestead exemption applies by
9 making the first ten thousand dollars of a homestead's value subject to property tax,
10 with the homestead exemption applying to the next seventy-five thousand dollars
11 of value; authorizes the deferral of property taxes for property owners who are
12 disabled or have incomes at or below the federal poverty level. (Effective January
13 1, 2011) (Amends Article VII, Section 20(A)(1) and 23(B); Adds Article VII,
14 Section 20(A)(11))

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)]

Pearson

HB No. 577

Abstract: Increases the level of assessed valuation of property at which the homestead exemption applies and authorizes the deferral of taxes in certain circumstances.

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

Proposed constitutional amendment retains provisions of present constitution with respect to the \$7,500 homestead exemption and changes the level of assessed value at which the homestead exemption applies.

Proposed constitutional amendment provides that the homestead exemption shall not apply until after the first \$1,000 of assessed valuation. The first \$10,000 of fair market property value would be taxable, with the homestead exemption applicable for the next \$75,000 in fair market value.

Proposed constitutional amendment authorizes the deferral of property taxes due in any year on a property with assessed value of less than \$85,000 whose owners are either disabled or have incomes at or below the federal poverty level. Such deferred taxes would be reduced to a tax deferral lien on the property, collectable only upon transfer of ownership of the property. Requires eligible property owners to apply for the deferral by filing an application

and proof of eligibility to the parish assessor. The assessor shall annually provide to the Tax Commission a list of the tax deferrals which were granted in the preceding year.

Proposed constitutional amendment specifies that the implementation of proposed constitutional amendment on Jan. 1, 2011, shall neither trigger nor be cause for a reappraisal or millage adjustments pursuant to present constitution.

Provides for submission of the proposed amendment to the voters at the congressional general election on Nov. 2, 2010.

Effective Jan. 1, 2011.

(Amends Const. Art. VII, §20(A)(1) and 23(B), Adds Const. Art. VII, §20(A)(11))