TAX/AD VALOREM TAX

Removes the requirement that certain property owners annually certify income to receive the special assessment level for ad valorem property taxes.

Current Constitution provides for a special assessment level that freezes property taxation at the rate in place when the taxpayer qualifies for and receives the special assessment. Eligible taxpayers (including spouses) are those 65 or older, certain members of the armed forces and any person permanently totally disabled, regardless of age. The special assessment level is prohibited if the taxpayers adjusted gross income exceeds $100,000 (increasing by the Consumer Price Index beginning with tax year 2026). The income limitation must be receive annual re-certification from the assessor for all recipients except those 65 and older.

Proposed amendment retains current law and allows those who are receiving the assessment due to being permanently and totally disabled to forego annual re-certification of income in the same manner as those 65 or older.

Effective upon voter approval at the November 8, 2022 election

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. Local assessors could have fewer responsibilities in administering this exemption as annual re-certification of income will no longer be required for this population. Assessor will presumably spread any resources made available to other areas of responsibility within their operations.

The Secretary of State may incur minimal ballot processing costs associated with this measure. As a regular practice, the Secretary of State typically budgets for up to 10 constitutional amendments and statewide propositions for the fall statewide elections. To the extent the ballot includes more than 10 constitutional amendments and statewide propositions, the Secretary of State may require additional SGF resources for the November 8, 2022 statewide election. Any expenditure impact would be realized in FY 23.

REVENUE EXPLANATION

This change is at the local assessor level and there is no direct fiscal impact to the state.