



**OFFICE OF LEGISLATIVE AUDITOR  
Fiscal Note**

Fiscal Note On: **SB 80** SLS 19RS 269  
 Bill Text Version: **REENGROSSED**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> May 9, 2019 4:01 PM	<b>Author:</b> CARTER, T.
<b>Dept./Agy.:</b> Orleans Parish/City of New Orleans	<b>Analyst:</b> Barbara Lively
<b>Subject:</b> Ad Valorem Tax Exemptions/Affordable Housing	

TAX/AD VALOREM RE DECREASE LF RV See Note Page 1 of 1  
 Provides relative to the ad valorem tax exemption in Orleans Parish for affordable housing. (See Act)

**Purpose of the Bill:** The impact of this bill is dependent upon a vote of the people at the election scheduled for October 12, 2019. The proposed legislation provides that the City of New Orleans may grant ad valorem tax exemptions to any owner of immovable property located within Orleans Parish for the purpose of affordable housing. The New Orleans Office of Community Development, or its designee, in conjunction with the New Orleans City Council is to promulgate rules and regulations for determining when and what kind of exemptions are appropriate. No exemption shall be granted until such rules are finally adopted (rules must be published, discussed in open meeting, and reviewed by the Planning Commission).

This measure allows for the exempted property to be kept on the assessment tax rolls and the ad valorem tax exemptions may be transferred (if the rules allow for transferability or the new owner is similarly situated).

EXPENDITURES	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
<b>Annual Total</b>						

  

REVENUES	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
<b>Annual Total</b>						

**EXPENDITURE EXPLANATION**

**The effect on local fund expenditures is indeterminable at this time.**

Per an official with the City of New Orleans, without the specific program parameters/rules being promulgated and adopted, the cost of implementation (e.g., collection system administrative costs; rule promulgation costs) cannot be determined at this time.

**REVENUE EXPLANATION**

**There may be a decrease in local fund revenues by an indeterminable amount as a result of this measure.**

Per an official with the City of New Orleans, the impact will be subject to the specific programs created via local rules and regulations by the City, through the Office of Community Development (and approved by the City Council). To the extent that the City defines, offers, and approves these exemptions, local revenue in Orleans Parish will be reduced for any entity associated with a millage.

Senate Dual Referral Rules  
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}  
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House  
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}  
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

*M. G. Battle*  
**Michael G. Battle**  
**Manager, Advisory Services**