2022 Regular Session

HOUSE BILL NO. 599

BY REPRESENTATIVE BEAULLIEU

TAX/AD VALOREM-EXEMPTION: (Constitutional Amendment) To provide for a property tax exemption for certain veterans with disabilities

1	A JOINT RESOLUTION
2	Proposing to amend Article VII, Section 21(K) of the Constitution of Louisiana, relative to
3	ad valorem tax exemptions; to provide for an ad valorem tax exemption for certain
4	veterans with disabilities; to provide for exemption amounts; to prohibit the loss of
5	revenue associated with certain ad valorem tax exemptions impacting the calculation
6	of millage rates by taxing authorities; to require taxing authorities to absorb the loss
7	of revenue as a result of the exemptions; to prohibit the reappraisal and valuation of
8	property for purposes of millage adjustment under certain circumstances; to require
9	certain elections for the establishment of the exemptions; to provide for submission
10	of the proposed amendment to the electors; and to provide for related matters.
11	Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members
12	elected to each house concurring, that there shall be submitted to the electors of the state of
13	Louisiana, for their approval or rejection in the manner provided by law, a proposal to
14	amend Article VII, Section 21(K) of the Constitution of Louisiana, to read as follows:
15	§21. Other Property Exemptions
16	Section 21. In addition to the homestead exemption provided for in Section
17	20 of this Article, the following property and no other shall be exempt from ad
18	valorem taxation:
19	* * *

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ORIGINAL HB NO. 599

1 (K)(1)(a) On and after January 1, 2015, in In addition to the homestead 2 exemption authorized under pursuant to the provisions of Article VII, Section 20 of 3 this constitution, which applies to the first seven thousand five hundred dollars of the 4 assessed valuation of property, the next seven thousand five hundred dollars of the 5 assessed valuation of property receiving the homestead exemption that is owned and 6 occupied by a veteran with a service-connected disability rating of one hundred percent unemployability or totally disabled by the United States Department of 7 8 Veterans Affairs shall be exempt from ad valorem taxation. The surviving spouse 9 of a deceased veteran with a service-connected disability rating of one hundred 10 percent unemployability or totally disabled by the United States Department of 11 Veterans Affairs shall be eligible for this exemption if the surviving spouse occupies 12 and remains the owner of the property, whether or not the exemption was in effect 13 on the property prior to the death of the veteran. If property eligible for the 14 exemption provided for in this Paragraph Subparagraph has an assessed value in 15 excess of fifteen thousand dollars, ad valorem property taxes shall apply to the 16 assessment in excess of fifteen thousand dollars.

17 (2)(b) Notwithstanding any provision of this constitution to the contrary, the 18 property assessment of a property for which this exemption has been claimed, to the 19 extent of seven thousand five hundred dollars, shall not be treated as taxable property 20 for purposes of any subsequent reappraisals and valuation for millage adjustment 21 purposes under Article VII, Section 23(B) of this Constitution constitution. The 22 decrease in the total amount of ad valorem tax collected by a taxing authority as a 23 result of the exemption shall be absorbed by the taxing authority and shall not create 24 any additional tax liability for other taxpayers in the taxing district as a result of any 25 subsequent reappraisal and valuation or millage adjustment. Implementation of the 26 exemption authorized in this Paragraph Subparagraph shall neither trigger nor be 27 cause for a reappraisal of property or an adjustment of millages pursuant to the provisions of Article VII, Section 23(B) of this constitution. 28

1	(3)(a)(c)(i) The exemption provided for in this Paragraph Subparagraph shall
2	extend and apply in a parish only if it is established through an election that shall be
3	called by either an ordinance or a resolution from the parish governing authority.
4	The proposition shall state that the exemption shall extend and apply in the parish
5	and become effective only after the question of its adoption has been approved by
6	a majority of the registered voters of the parish voting in an election held for that
7	purpose.
8	(b) (ii) If a parish held an election as provided by this Subparagraph
9	Subsubparagraph and the electors approved the exemption prior to November 4,
10	2014, the parish may implement the exemption as amended by the statewide electors
11	on November 4, 2014, without holding an additional election.
12	(iii) At the statewide gubernatorial primary election held in 2023 in
13	accordance with the Louisiana Election Code, a proposition shall appear on the ballot
14	in each parish that has not held an election as provided in this Subsubparagraph to
15	determine whether the ad valorem tax exemption provided for in this Subparagraph
16	shall extend and apply in the parish.
17	(2)(a) In addition to the homestead exemption authorized pursuant to the
18	provisions of Article VII, Section 20 of this constitution, which applies to the first
19	seven thousand five hundred dollars of the assessed valuation of property, a portion
20	of the assessed valuation of property receiving the homestead exemption that is
21	owned and occupied by a veteran with a certain service-connected disability rating
22	shall be exempt from ad valorem taxation as follows:
23	(i) The next two thousand five hundred dollars of the assessed valuation of
24	property receiving the homestead exemption that is owned and occupied by a veteran
25	with a service-connected disability rating of fifty percent or more but less than
26	seventy percent by the United States Department of Veterans Affairs, shall be
27	exempt from ad valorem taxation. The surviving spouse of a deceased veteran with
28	a service-connected disability rating of fifty percent or more but less than seventy
29	percent by the United States Department of Veterans Affairs shall be eligible for this

1	exemption if the surviving spouse occupies and remains the owner of the property,
2	whether or not the exemption was in effect on the property prior to the death of the
3	veteran. If property eligible for the exemption provided for in this Item has an
4	assessed value in excess of ten thousand dollars, ad valorem property taxes shall
5	apply to the assessment in excess of ten thousand dollars.
6	(ii) The next four thousand five hundred dollars of the assessed valuation of
7	property owned and occupied by a veteran with a service-connected disability rating
8	of seventy percent or more but less than one hundred percent by the United States
9	Department of Veterans Affairs, shall be exempt from ad valorem taxation. The
10	surviving spouse of a deceased veteran with a service-connected disability rating of
11	seventy percent or more but less than one hundred percent by the United States
12	Department of Veterans Affairs shall be eligible for this exemption if the surviving
13	spouse occupies and remains the owner of the property, whether or not the
14	exemption was in effect on the property prior to the death of the veteran. If property
15	eligible for the exemption provided for in this Item has an assessed value in excess
16	of twelve thousand dollars, ad valorem property taxes shall apply to the assessment
17	in excess of twelve thousand dollars.
18	(b) Notwithstanding any provision of this constitution to the contrary, the
19	property assessment of a property for which an exemption established pursuant to
20	this Subparagraph has been claimed, to the extent of the applicable exemption, shall
21	not be treated as taxable property for purposes of any subsequent reappraisals and
22	valuation for millage adjustment purposes pursuant to Article VII, Section 23(B) of
23	this constitution. The decrease in the total amount of ad valorem tax collected by a
24	taxing authority as a result of the exemption shall be absorbed by the taxing authority
25	and shall not create any additional tax liability for other taxpayers in the taxing
26	district as a result of any subsequent reappraisal and valuation or millage adjustment.
27	Implementation of the exemption authorized in this Subparagraph shall neither
28	trigger nor be cause for a reappraisal of property or an adjustment of millages
29	pursuant to the provisions of Article VII, Section 23(B) of this constitution.

1	(c) The exemptions provided for in this Subparagraph shall extend and apply
2	in a parish only if it is established through an election held as provided by this
3	Subsubparagraph. At the statewide gubernatorial primary election held in 2023 in
4	accordance with the Louisiana Election Code, a proposition shall appear on the ballot
5	in every parish to determine whether the ad valorem tax exemptions provided for in
6	this Subparagraph shall be permitted in the parish. The proposition shall state that
7	the exemptions shall extend and apply in the parish and become effective only after
8	the question of its adoption has been approved by a majority of the registered voters
9	of the parish voting in an election held for that purpose.
10	(4)(3) A trust shall be eligible for the exemption provided for in this
11	Paragraph as provided by law.
12	* * *
13	Section 2. Be it further resolved that this proposed amendment shall be submitted
14	to the electors of the state of Louisiana at the statewide election to be held on November 8,
15	2022.
16	Section 3. Be it further resolved that on the official ballot to be used at the election,
17	there shall be printed a proposition, upon which the electors of the state shall be permitted
18	to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as
19	follows:
20	Do you support an amendment to provide for property tax exemptions for
21	certain veterans with disabilities if approved by a majority of the registered
22	voters in an election held for that purpose? (Amends Article VII, Section
23	21(K))

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 599 Original

2022 Regular Session

Beaullieu

Abstract: Provides for an ad valorem tax exemption for veterans with certain serviceconnected disability ratings less than 100% and their surviving spouses and requires

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parishes that have not held an election to approve the ad valorem tax exemption for veterans with service-connected disability ratings of 100% to do so.

<u>Present constitution</u> provides that, in addition to the homestead exemption which applies to the first \$7,500 of the assessed valuation of property, the next \$7,500 of the assessed valuation of property receiving the homestead exemption which is owned and occupied by a veteran with a service-connected disability rating of 100% by the U. S. Dept. of Veterans Affairs shall be exempt from ad valorem tax. Further provides that this exemption shall apply to the surviving spouse of a deceased veteran with a disability rating of 100% whether or not the exemption was in effect on the property prior to the death of the veteran.

<u>Present constitution</u> provides that the assessment of property for which the exemption has been claimed shall not be treated as taxable property for purposes of any subsequent reappraisals and valuation for millage adjustment purposes under <u>present constitution</u>. Further provides that the decrease in the total amount of ad valorem tax collected by a taxing authority as a result of the exemption shall be absorbed by the taxing authority and shall not create any additional tax liability for other taxpayers in the taxing district as a result of any subsequent reappraisal and valuation or millage adjustment. Implementation of the exemption shall neither trigger nor be cause for a reappraisal of property, or an adjustment of millages.

<u>Present constitution</u> provides that the exemption for veterans with a service-connected disability rating of 100% shall only extend and apply in a parish if it is established through an election which shall be called by either an ordinance or a resolution from the parish governing authority. The proposition shall state that the exemption shall extend and apply in the parish and become effective only after the question of its adoption has been approved by a majority of the registered voters of the parish voting in an election held for that purpose.

<u>Proposed constitutional amendment</u> retains <u>present constitution</u> but provides that if a parish has not yet held an election for the purpose of approving the exemption for veterans with a service-connected disability rating of 100%, then a proposition shall appear on the ballot at the gubernatorial primary election in 2023 in those parishes to determine whether the ad valorem tax exemption shall be permitted in the parish.

<u>Proposed constitutional amendment</u> provides that, in addition to the homestead exemption which applies to the first \$7,500 of the assessed valuation of property, property receiving the homestead exemption which is owned and occupied by a veteran with a service-connected disability rating by the U. S. Dept. of Veterans Affairs shall be exempt from ad valorem tax as follows:

- (1) For a veteran with a disability rating of 50% or more but less than 70%, the next \$2,500 of the assessed valuation of the property shall be exempt. Provides that if property eligible for the exemption has an assessed value in excess of \$10,000, ad valorem property taxes shall apply to the assessment in excess of \$10,000.
- (2) For a veteran with a disability rating of 70% or more but less than 100%, the next \$4,500 of the assessed valuation of the property shall be exempt. Provides that if property eligible for the exemption has an assessed value in excess of \$12,000, ad valorem property taxes shall apply to the assessment in excess of \$12,000.

<u>Proposed constitutional amendment</u> provides that the exemptions apply to the surviving spouse of a deceased veteran with the required disability rating, whether or not the exemption was in effect on the property prior to the death of the veteran.

<u>Proposed constitutional amendment provides that the assessment of property for which the</u> exemption has been claimed, shall not be treated as taxable property for purposes of any

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subsequent reappraisals and valuation for millage adjustment purposes under <u>present</u> <u>constitution</u>. Further provides that the decrease in the total amount of ad valorem tax collected by a taxing authority as a result of the exemption shall be absorbed by the taxing authority and shall not create any additional tax liability for other taxpayers in the taxing district as a result of any subsequent reappraisal and valuation or millage adjustment. Implementation of the exemption shall neither trigger nor be cause for a reappraisal of property, or an adjustment of millages.

<u>Proposed constitutional amendment</u> provides that the exemptions for veterans with serviceconnected disability ratings of less than 100% shall only extend and apply in a parish if it is established through an election. Requires the proposition to appear on the ballot in every parish at the gubernatorial primary election held in 2023. Requires the proposition to state that the exemptions shall extend and apply in the parish and become effective only after the question of its adoption has been approved by a majority of the registered voters of the parish voting in an election held for that purpose.

Provides for submission of the proposed amendment to the voters at the statewide election to be held November 8, 2022.

(Amends Const. Art. VII, §21(K))