

2024 Regular Session

HOUSE BILL NO. 402

BY REPRESENTATIVE GALLE

TAX/AD VALOREM-EXEMPTION: (Constitutional Amendment) Provides relative to the calculation of certain persons' income for purposes of determining eligibility for the special assessment level for property receiving the homestead exemption

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A JOINT RESOLUTION

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Proposing to amend Article VII, Section 18(G)(1)(a)(ii) of the Constitution of Louisiana,

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relative to ad valorem taxation; to provide relative to eligibility of certain persons for

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a special assessment level for residential property receiving the homestead

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exemption; to provide relative to applicants for the special assessment level whose

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tax-filing status is married filing separately; to repeal provisions specifying the

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method of calculating those persons' income for purposes of determining eligibility

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for the special assessment level; to require the legislature to provide by law for that

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income calculation; to provide for applicability; to provide for submission of the

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proposed amendment to the electors; and to provide for related matters.

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Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members

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elected to each house concurring, that there shall be submitted to the electors of the state of

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Louisiana, for their approval or rejection in the manner provided by law, a proposal to

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amend Article VII, Section 18(G)(1)(a)(ii) of the Constitution of Louisiana, to read as

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follows:

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§18. Ad Valorem Taxes

17

Section 18.

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* * *

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(G) Special Assessment Level.

1 (1)(a)

2 * * *

3 (ii) Any person or persons shall be prohibited from receiving the special
4 assessment as provided in this Section if such person's or persons' adjusted gross
5 income, as reported in the federal tax return for the year prior to the application for
6 the special assessment, exceeds one hundred thousand dollars. For persons applying
7 for the special assessment whose filing status is married filing separately, the
8 legislature shall provide by law for calculation of adjusted gross income for purposes
9 of this Section ~~shall be determined by combining the adjusted gross income on both~~
10 ~~federal tax returns.~~ Beginning for the tax year 2026, and for each tax year thereafter,
11 the one hundred thousand dollar limit shall be adjusted annually by the Consumer
12 Price Index as reported by the United States Government.

13 * * *

14 Section 2. Be it further resolved that the provisions of the amendment contained in
15 this Joint Resolution shall be applicable to tax years beginning on or after January 1, 2025.

16 Section 3. Be it further resolved that this proposed amendment shall be submitted
17 to the electors of the state of Louisiana at the statewide election to be held on November 5,
18 2024.

19 Section 4. Be it further resolved that on the official ballot to be used at the election,
20 there shall be printed a proposition, upon which the electors of the state shall be permitted
21 to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as
22 follows:

23 Do you support an amendment to remove from the constitution an income
24 calculation method for certain applicants for the special property tax
25 assessment level, and to require instead that the legislature provide for that
26 calculation by law? (Amends Article VII, Section 18(G)(1)(a)(ii))

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 402 Original

2024 Regular Session

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Abstract: For purposes of income-based eligibility of applicants for the special property tax assessment level, provides relative to the income calculation method for applicants who use the married filing separately tax-filing status.

Present constitution provides that the assessment of residential property receiving the homestead exemption which is owned and occupied by persons meeting certain qualifications shall not be increased above the total assessment of that property for the first year that the owner qualifies for and receives the special assessment level authorized in present constitution.

Present constitution makes the special assessment level available to the following groups:

- (1) People who are 65 years of age or older.
- (2) People who have a service-connected disability rating of 50% or more as determined by the U.S. Dept. of Veterans Affairs.
- (3) Members of the U.S. armed forces or La. National Guard who are killed in action, or who are missing in action or are a prisoner of war for a period exceeding 90 days.
- (4) People who are permanently and totally disabled as determined by a final, non-appealable judgment of a court, or as certified by a state or federal administrative agency charged with making official disability determinations.

Present constitution limits eligibility for the special assessment level to people in the above-listed groups whose adjusted gross income (AGI), as reported on their federal tax return for the year prior to the application for the special assessment, is \$100,000 or less. Requires that this income limit be adjusted annually for inflation beginning for the 2026 tax year.

Proposed constitutional amendment retains present constitution.

Present constitution provides that with respect to persons applying for the special assessment level whose filing status is married filing separately, for purposes of those persons' income eligibility for the special assessment, the AGI shall be determined by combining the AGI figures on both spouses' federal tax returns.

Proposed constitutional amendment revises present constitution to provide instead that with respect to persons applying for the special assessment level whose filing status is married filing separately, the legislature shall provide by law for calculation of the AGI for purposes of those persons' income eligibility for the special assessment.

Proposed constitutional amendment applies to tax years beginning on or after Jan. 1, 2025.

Provides for submission of the proposed amendment to the voters at the statewide election to be held November 5, 2024.

(Amends Const. Art. VII, §18(G)(1)(a)(ii))