

2024 Regular Session

HOUSE BILL NO. 921

BY REPRESENTATIVE HILFERTY

TAX/AD VALOREM TAX: Limits the determination of fair market value of certain real property by an assessor under certain circumstances

1 AN ACT

2 To enact R.S. 47:1989(D)(5), relative to ad valorem taxes; to limit the determination of fair
3 market value of real property by an assessor under certain circumstances; to provide
4 for certain exceptions; to provide for effectiveness; and to provide for related
5 matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:1989(D)(5) is hereby enacted to read as follows:

8 §1989. Review of appeals by tax commission

9 * * *

10 D.

11 * * *

12 (5) The fair market value of real property in a determination by a board of
13 review or the tax commission or in a final, nonappealable judgment issued by a court
14 in an action to review the correctness of an assessment pursuant to the provisions of
15 this Section shall be utilized by the assessor for assessment purposes in subsequent
16 tax years until reappraisal in a future mandated reappraisal year unless a change in
17 the physical condition of the property that would result in an increase in the fair
18 market value of the property by more than twenty-five percent justifies an earlier
19 reappraisal. The provisions of this Paragraph shall not limit the ability or obligation
20 of an assessor to reduce an assessment as a result of a change in the condition of the
21 property pursuant to the provisions of R.S. 47:1978 or 1978.1.

22 * * *

1 Section 2. The provisions of this Act shall become effective on January 1, 2025, and
2 shall be applicable to all tax years beginning on or after January 1, 2025.

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 921 Original

2024 Regular Session

Hilferty

Abstract: Requires an assessor to use the fair market value of real property determined in a final, nonappealable judgment for assessment purposes in subsequent tax years until reappraisal in a future mandated reappraisal year.

Present law (R.S. 47:1957) requires all taxable property in the state to be assessed by the parish assessor and for all public service properties to be assessed by the La. Tax Commission, hereinafter "tax commission". Further requires assessors to list and assess all property within their respective parishes at the proper percentage of its fair market or use value as required by the constitution and laws of this state.

Present law (R.S. 47:1931) provides that all assessments throughout the state are subject to review by boards of reviewers which consist of the governing authorities of each parish.

Present law (R.S. 47:1989) requires the tax commission to conduct public hearings to hear real and personal property appeals of taxpayers, representatives of an affected tax-recipient body, or assessors from actions of a board of review within 10 days of receipt of the assessment lists as certified by the local board of review. All decisions by the tax commission are final unless appealed to the district court within 30 days. An appeal from a judgment of a district court shall be heard by preference within 60 days of the lodging of the record in the court of appeal. If the supreme court grants a writ of certiorari, the court shall hear the appeal on the next regular docket of the court.

Proposed law retains present law.

Proposed law requires the fair market value of real property in a determination by a board of review or the tax commission or in a final, nonappealable judgment issued by a court in an action to review the correctness of an assessment pursuant to the provisions of present law to be utilized by the assessor for assessment purposes in subsequent tax years until reappraisal in a future mandated reappraisal year unless a change in the physical condition of the property that would result in an increase in the fair market value of the property by more than 25% justifies an earlier reappraisal.

Proposed law further provides that the provisions of proposed law shall not limit the ability or obligation of an assessor to reduce an assessment for property damaged or depreciated as a result of flooding or property damaged or destroyed during a disaster or other emergency declared by the governor as established in present law (R.S. 47:1978 or 1978.1).

Effective Jan. 1, 2025, and applicable to all tax years beginning on or after Jan. 1, 2025.

(Adds R.S. 47:1989(D)(5))