

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 119** SLS 24RS 214

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 7, 2024	4:38 PM	Author: MILLER, G.
Dept./Agy.: Local ad valorem taxing jurisdictions		Analyst: Deborah Vivien
Subject: Removes most tax sale provisions from constitution		

TAX/AD VALOREM

OR SEE FISC NOTE LF RV

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Constitutional amendment that provides relative to tax sales. (2/3-CA13s1(A))

Current constitution provides for administration, enforcement and notification of ad valorem taxes and other impositions on immovable property, including tax sales for delinquent taxes. Current constitution allows the legislature to postpone payment of taxes due only in cases of overflow, general conflagration, general crop destruction or other public calamity. Proposed constitution repeals numerous portions related to tax sales and directs the legislature to provide for notice provisions, interest up to 1% simple interest per month and penalty limits up to 5%, authority of the collector to waive interest and penalties, redemptive period, and a procedure for claiming excess proceeds from the sale of property. Proposed constitution repeals circumstances required for the legislature to postpone payment of ad valorem taxes due and authorizes the legislature to postpone ad valorem taxes due only in the event of the governor or parish president declaring an emergency pursuant to the LA Homeland Security and Emergency Assistance and Disaster Act. Effective upon enactment and voter approval at the November 5, 2024, election.

EXPENDITURES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	SEE BELOW					
Annual Total						
REVENUES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	SEE BELOW					
Annual Total						

EXPENDITURE EXPLANATION

The bill removes certain ad valorem tax provisions from the Constitution and directs the legislature to address these same issues in statute (see SB 393 of 24RS, which is contingent on this bill). Interest and penalty limits, paid by the debtor, remain in the constitution at current rates.

The LFO has reached out to or been in communication with multiple associations and agencies representing local governmental entities. To this point, many have been either non-responsive or unable to predict specific fiscal impacts that may result from adoption of the provisions included in the bill.

REVENUE EXPLANATION

The bill removes certain ad valorem tax provisions from the Constitution and directs the legislature to address these same issues in statute (SB 393 of 24RS is companion to this bill). Interest and penalty limits, paid by the debtor, remain in the constitution at current rates.

The LFO has reached out to or been in communication with multiple associations and agencies representing local governmental entities. To this point, many have been either non-responsive or unable to predict specific fiscal impacts that may result from adoption of the provisions included in the bill.

Senate

Dual Referral Rules

House

13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Alan M. Boxberger

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Legislative Fiscal Officer