

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 175** SLS 24RS 297

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 7, 2024	4:41 PM	Author: LUNEAU
Dept./Agy.: Local ad valorem taxing jurisdictions		Analyst: Deborah Vivien
Subject: Replaces tax sale with sale of lien		

TAX/AD VALOREM

OR SEE FISC NOTE LF RV

Page 1 of 1

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.

Proposed constitution repeals certain provisions related to notification and administration of tax sales and adjudicated sales. Proposed constitution amends tax sales to a lien security through a transferable lien certificate instead of title sale, and retains up to 1% simple interest per month and penalty up to 5% on tax sale purchases.

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	SEE BELOW	SEE BELOW	SEE BELOW	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	SEE BELOW	SEE BELOW	SEE BELOW	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 286 of 24RS, which is presumably 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, amends other provisions and appears to assume that most issues will be addressed in statute (SB 286 of 24RS is presumably a 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

Alan M. Boxberger
Legislative Fiscal Officer