

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 402** HLS 24RS 175

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> May 3, 2024	12:46 PM	<b>Author:</b> GALLE
<b>Dept./Agy.:</b> Assessors/ Tax Commission		<b>Analyst:</b> Benjamin Vincent
<b>Subject:</b> Special Assessment Levels: Married Filing Separately		

TAX/AD VALOREM-EXEMPTION OR SEE FISC NOTE LF RV Page 1 of 1  
(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

Current Constitution provides that special assessments for taxable property are prohibited for taxpayers that report adjusted gross income (AGI) of \$100,000 or more. Current Constitution further provides that for married taxpayers filing separately, the \$100,000 threshold is measured against the sum of each filer's AGI.

Proposed Amendment removes the existing requirement that the sum of each taxpayer's AGI must be compared to the \$100,000 threshold, and requires the legislature to provide a method of calculating AGI for special assessment purposes by law.

Effective January 1, 2025, pending approval by voters in a statewide election on November 5, 2024.

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

  

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

**EXPENDITURE EXPLANATION**

The Secretary of State may incur minimal ballot processing costs associated with this measure. As a regular practice, the Secretary of State typically budgets for up to 10 constitutional amendments and statewide propositions for the fall statewide elections. To the extent the ballot includes more than 10 constitutional amendments and statewide propositions, the Secretary of State may require additional SGF for the 11/05/24, statewide election. Any expenditure impact due to this would be realized in FY 25.

**REVENUE EXPLANATION**

Proposed amendment enables the relaxation of income thresholds for households to qualify for special assessments. The fiscal impact resides with the statutory language, which would provide the manner in which a household can qualify for special assessments, reducing local property tax revenue collections to an unknown extent.

*Note: HB 435 Original is a companion bill providing the statutory requirement that the sum of each taxpayer's AGI be used for homes deemed community property, but that only the AGI of the spouse claiming ownership on their federal income tax return shall be used for homes that are deemed separate property.*

Senate      Dual Referral Rules  
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}  
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House  
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}  
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

**Deborah Vivien**  
**Chief Economist**