

2024 Third Extraordinary Session

HOUSE BILL NO. 11

BY REPRESENTATIVE DESHOTEL

TAX/AD VALOREM TAX: Provides for the homestead exemption, special assessment level, and other property tax exemptions for purposes of determining ad valorem taxation of certain property (Items #1 and 10)

1 AN ACT

2 To amend and reenact R.S. 47:1703, 1703.1(A), 1705(B)(1)(a) and (b)(i), (2)(a), (b),

3 (c)(i)(introductory paragraph) and (ii), (d), and (D), 1707 through 1708, 1710, 1712,

4 1713(B), 1714(introductory paragraph), (1), and (6), 1715(introductory paragraph),

5 (1), and (6), and 1716 and to enact R.S. 47:1702(12) through (15) and 1717 through

6 1719, relative to ad valorem taxation; to provide for definitions; to provide for

7 classification of property; to provide for valuation of property; to provide for

8 reappraisal of property; to provide for special assessment level; to provide for ad

9 valorem taxation; to provide for the administration of ad valorem taxation; to provide

10 for ad valorem tax exemptions; to provide for requirements and limitations; to

11 provide for the adjustment of millages; to provide for ad valorem tax assessors; to

12 authorize and direct the Louisiana State Law Institute to re-designate certain

13 provisions; to provide for effectiveness; and to provide for related matters.

14 Be it enacted by the Legislature of Louisiana:

15 Section 1. R.S. 47:1703, 1703.1(A), 1705(B)(1)(a) and (b)(i), (2)(a), (b),

16 (c)(i)(introductory paragraph) and (ii), (d), and (D), 1707 through 1708, 1710, 1712,

17 1713(B), 1714(introductory paragraph), (1), and (6), 1715(introductory paragraph), (1), and

18 (6), and 1716 are hereby amended and reenacted and R.S. 47:1702(12) through (15) and

19 1717 through 1719 are hereby enacted to read as follows:

1 §1702. Definitions

2 As used in this Subtitle, the following terms have the meaning ascribed to
3 them in this Section, unless the context clearly indicates otherwise:

4 * * *

5 (12) "Distributor" means a person engaged in the sale of products for resale
6 or further processing for resale.

7 (13) "Business inventory" means the aggregate of those items of tangible
8 personal property that are held for sale in the ordinary course of business, are
9 currently in the process of production for subsequent sale, or, are to physically
10 become a part of the production of goods.

11 (a) "Business inventory" shall include the following:

12 (i) Goods or commodities awaiting sale that include but are not limited to the
13 merchandise of a retail or wholesale concern, the finished goods of a manufacturer,
14 the commodities from farms, mines, and quarries, and goods that are used or trade-in
15 merchandise and by-products of a manufacturer.

16 (ii) Goods or commodities that are in the course of production.

17 (iii) Raw materials and supplies that will be consumed in the Louisiana
18 manufacturing process.

19 (iv) Any item of tangible personal property owned by a retailer that is
20 available for or subject to a short-term rental and that will subsequently or ultimately
21 be sold by the retailer. For purposes of this Section, the term "short-term rental"
22 shall mean a rental of an item of tangible personal property for a period of less than
23 three hundred sixty-five days, for an undefined period, or under an open-ended
24 agreement.

25 (b) "Business inventory" shall not include the following:

26 (i) Oil stored in tanks held by a producer prior to the first sale of the oil, and
27 oil otherwise exempt from ad valorem taxation pursuant to the provisions of law.

28 (ii) Items that would otherwise be considered inventory at any time following
29 the initial lease by the taxpayer of such items. The provisions of this Item shall not

1 include the rental of tangible personal property as provided for in Item (a)(iv) of this
2 Paragraph.

3 (iii) Items that would otherwise be considered inventory any time after the
4 taxpayer has commenced depreciating the item on the taxpayer's federal tax return.

5 The provisions of this Item shall not include the rental of tangible personal property
6 as provided for in Item (a)(iv) of this Paragraph.

7 (iv) Items that have been subject to use by the taxpayer when owned for more
8 than eighteen months. The provisions of this Item shall not include the rental of
9 tangible personal property as provided for in Item (a)(iv) of this Paragraph.

10 (v) Items that are otherwise exempt from ad valorem taxation pursuant to
11 law, including, goods, commodities, or personal property stored in the state for use
12 in interstate commerce.

13 (14) "Manufacturer" shall mean one of the following:

14 (a) A person engaged in the business of working raw materials into wares
15 suitable for use or which gives new shapes, qualities, or combinations to matter
16 which already has gone through some artificial process.

17 (b) A person who meets the definition of "manufacturer" as provided in
18 Subparagraph (a) of this Paragraph and who has claimed an ad valorem exemption
19 pursuant to a contract with the State Board of Commerce and Industry as permitted
20 by law for manufacturing establishments, during the taxable year in which the local
21 inventory taxes were levied.

22 (15) "Retailer" means a person engaged in the sale of products to the ultimate
23 consumer. The term "retailer" shall also include a person engaged in the short-term
24 rental of tangible personal property classified under code numbers 532412 and
25 532310 of the North American Industry Classification System published by the
26 United States Bureau of Census as the code numbers existed in 2022 and who is
27 registered with the Department of Revenue, or its successor, as a retailer as defined
28 in this Section.

1 §1703. Exemptions

2 A. Generally. ~~(1) Effective January 1, 1978, and thereafter, there~~ The
3 following property shall be exempt from state, parish, and special ad valorem taxes:
4 all property which is declared to be exempt from taxation by Sections 20 and 21 of
5 Article VII of the Constitution and pursuant to the authority contained in Section 17
6 of Article VI of the Constitution, and no other. However, the exemption for a bona
7 fide homestead, as defined in Subparagraph (1) of Paragraph A of Section 20 of
8 Article VII of the Constitution, for the years 1978 through 1981 only, and in the
9 parish of Orleans through 1982 only, shall be five thousand dollars of assessed
10 valuation. ~~Effective on the first day in January in each parish, in the year in which~~
11 ~~the appraisal and valuation provisions of Paragraph (F) of Section 18 of Article VII~~
12 ~~of the Constitution of Louisiana are implemented and thereafter, the exemption, for~~
13 ~~a bona fide homestead exemption as defined in Section 20 of Article VII of the~~
14 ~~Constitution, shall be seven thousand, five hundred dollars of the assessed valuation.~~

15 ~~(2) Any taxpayer entitled to the homestead exemption set forth in Article~~
16 ~~VII, Section 20 of the Constitution of Louisiana must own and occupy the homestead~~
17 ~~on or before December thirty-first of the calendar year in which the exemption is~~
18 ~~claimed regardless of its homestead exemption status as of January first of the~~
19 ~~calendar year in which the homestead exemption is claimed.~~

20 ~~B. Orleans Parish. In the parish of Orleans, the status of real and personal~~
21 ~~property on the first day of August of each year, except as provided in Paragraph~~
22 ~~(A)(2) of this Section, shall determine its liability for exemption from taxation for~~
23 ~~the following calendar year.~~

24 ~~C. Penalties for false statements. Any person who, either in his individual~~
25 ~~or representative capacity, knowingly makes any false statement or knowingly~~
26 ~~furnishes any false information in any affidavit or other document that he may~~
27 ~~present for the purpose of procuring or attempting to procure this tax exemption or~~
28 ~~benefit under the provisions of this Section, or who knowingly, for the purpose of~~
29 ~~securing such tax exemption, presents any affidavit or other document containing~~

1 ~~any false statement, or any person aiding, assisting or abetting any such person in~~
2 ~~unlawfully and knowingly securing or attempting to secure any such tax exemption,~~
3 ~~with knowledge of such false or illegal application or such false statement, shall be~~
4 ~~guilty of a misdemeanor punishable as hereinafter provided.~~

5 ~~Any assessor, deputy assessor, or other official, clerk or employee of the state~~
6 ~~or any of its political subdivisions, who knowingly reports, lists, or claims any~~
7 ~~property on which exemption from taxes under Sections 20 and 21 of Article VII of~~
8 ~~the constitution has been applied for, to be subject to a higher millage for taxation~~
9 ~~purposes than is the true millage applicable thereto, shall be guilty of a misdemeanor,~~
10 ~~punishable as hereinafter provided.~~

11 ~~Upon conviction for a violation of any of the provisions of this Subsection~~
12 ~~the offender shall be punishable by a fine of not less than one hundred dollars, nor~~
13 ~~more than five hundred dollars, or by imprisonment of not less than one month, nor~~
14 ~~more than six months, or both.~~

15 ~~D. Undivided ownership. The exemption for a bona fide homestead, as~~
16 ~~provided for in Subsection A of this Section, when occupied by an heir in the direct~~
17 ~~line in undivided ownership shall be granted to the full extent provided no other~~
18 ~~homestead exemption is claimed by that person.~~

19 ~~E. For property damaged during a disaster or emergency, the following shall~~
20 ~~apply:~~

21 ~~(1)(a) Any homestead receiving the homestead exemption that is damaged~~
22 ~~or destroyed during a disaster or emergency declared by the governor whose owner~~
23 ~~is unable to occupy the homestead on or before December thirty-first of a calendar~~
24 ~~year due to such damage or destruction shall be entitled to claim the exemption by~~
25 ~~filing with the assessor of the parish in which the homestead was located, an annual~~
26 ~~affidavit of intent to return and reoccupy the homestead within a period of five years~~
27 ~~from December thirty-first of the tax year in which the disaster occurred. In no event~~
28 ~~shall more than one homestead exemption extend or apply to any person in this state.~~

1 ~~(b) For homesteads qualifying for the homestead exemption under the~~
2 ~~provisions of this Paragraph, after expiration of the five-year period, the owner of a~~
3 ~~homestead shall be entitled to claim and keep the exemption for a period not to~~
4 ~~exceed two additional years by filing an annual affidavit of intent to return and~~
5 ~~reoccupy the homestead with the assessor within the parish where the homestead is~~
6 ~~situated. A homeowner shall be eligible for this extension only if the homeowner's~~
7 ~~damage claim to repair or rebuild the damaged or destroyed homestead is filed and~~
8 ~~pending in a formal appeal process with any federal, state, or local government~~
9 ~~agency or program offering grants or assistance for repairing or rebuilding damaged~~
10 ~~or destroyed homes as a result of the disaster, or if a homeowner has a damage claim~~
11 ~~filed and pending against the insurer of the property. The assessor shall require the~~
12 ~~homeowner to provide official documentation from the government agency or~~
13 ~~program evidencing the homeowner's participation in the formal appeal process or~~
14 ~~official documentation evidencing the homeowner has a damage claim filed and~~
15 ~~pending against the insurer of the property.~~

16 ~~(c) After expiration of the extension authorized in Subparagraph (b) of this~~
17 ~~Paragraph, an assessor shall have the authority to grant up to three additional one-~~
18 ~~year extensions of the homestead exemption on a case-by-case basis. A homeowner~~
19 ~~shall only be eligible for an additional extension if the owner has made a good faith~~
20 ~~attempt to secure a contractor or builder to complete the needed repairs or~~
21 ~~reconstruction of the home but is unable to complete the project due to~~
22 ~~uncontrollable contractor or builder delays. In order to qualify for this extension, the~~
23 ~~homeowner shall provide to the assessor documentation evidencing good faith in~~
24 ~~attempting to secure a contractor or builder to complete the project.~~

25 ~~(2)(a) Any owner entitled to the special assessment level set forth in Article~~
26 ~~VII, Section 18(G) of the Constitution of Louisiana who is unable to occupy the~~
27 ~~homestead on or before December thirty-first of a future calendar year due to~~
28 ~~damage or destruction of the homestead caused by a disaster or emergency declared~~
29 ~~by the governor shall be entitled to keep the special assessment level of the~~

1 ~~homestead prior to its damage or destruction on the repaired or rebuilt homestead~~
2 ~~provided the repaired or rebuilt homestead is occupied by the owner within five~~
3 ~~years from December thirty-first of the year following the disaster. The assessed~~
4 ~~value of the land and buildings on which the homestead was located prior to its~~
5 ~~damage shall not be increased above its assessed value immediately prior to the~~
6 ~~damage or destruction described in this Paragraph. If the property owner receives a~~
7 ~~homestead exemption on another homestead during the same five-year period, the~~
8 ~~damaged or destroyed property shall not be entitled to keep the special assessment~~
9 ~~level, and the land and buildings shall be assessed in that year at the percentage of~~
10 ~~fair market value set forth in the constitution. In addition, the owner must also~~
11 ~~maintain the homestead exemption set forth in Article VII, Section 20(A)(10) of the~~
12 ~~Constitution of Louisiana to qualify for the special assessment level set forth in~~
13 ~~Article VII, Section 18(G)(5) of the Constitution of Louisiana.~~

14 (b) ~~Any owner entitled to the special assessment level as provided for in this~~
15 ~~Paragraph who is unable to reoccupy his homestead within five years from~~
16 ~~December thirty-first of the year following the disaster shall be eligible for an~~
17 ~~extension of the special assessment level on the homestead for a period not to exceed~~
18 ~~two years. A homeowner shall be eligible for this extension only if the homeowner's~~
19 ~~damage claim is filed and pending in a formal appeal process with any federal, state,~~
20 ~~or local government agency or program offering grants or assistance for repairing or~~
21 ~~rebuilding damaged or destroyed homes as a result of the disaster, or if a homeowner~~
22 ~~has a damage claim filed and pending against the insurer of the property. The~~
23 ~~homeowner shall apply for this extension of the special assessment level with the~~
24 ~~assessor of the parish in which the homestead is located. The assessor shall require~~
25 ~~the homeowner to provide official documentation from the government agency or~~
26 ~~program evidencing the homeowner's participation in the formal appeal process or~~
27 ~~official documentation evidencing the homeowner has a damage claim filed and~~
28 ~~pending against the insurer of the property.~~

1 ~~(c) After expiration of the extension authorized in Subparagraph (b) of this~~
2 ~~Paragraph, an assessor shall have the authority to grant up to three additional one-~~
3 ~~year extensions of the special assessment level on a case-by-case basis. A~~
4 ~~homeowner shall only be eligible for an additional extension if the owner has made~~
5 ~~a good faith attempt to secure a contractor or builder to complete the needed repairs~~
6 ~~or reconstruction of the home but is unable to complete the project due to~~
7 ~~uncontrollable contractor or builder delays. In order to qualify for this extension, the~~
8 ~~homeowner shall provide to the assessor documentation evidencing good faith in~~
9 ~~attempting to secure a contractor or builder to complete the project.~~

10 (1) Public lands and other public property used for public purposes. Land or
11 property owned by another state or owned by a political subdivision of another state
12 shall not be exempt under this Section.

13 (2)(a)(i) Property owned by a nonprofit corporation or association organized
14 and operated exclusively for religious, dedicated places of burial, charitable, health,
15 welfare, fraternal, or educational purposes, no part of the net earnings of which inure
16 to the benefit of any private shareholder or member thereof and that is declared to
17 be exempt from federal or state income tax.

18 (ii) Medical equipment leased for a term exceeding five years to a nonprofit
19 corporation or association that owns or operates a small, rural hospital and that uses
20 the equipment solely for healthcare purposes at the hospital, provided that the
21 property shall be exempt only during the term of the lease to such a corporation or
22 association, and further provided that "small, rural hospital" shall mean a hospital
23 that meets all of the following criteria:

24 (aa) It has less than fifty Medicare-licensed acute care beds.

25 (bb) It is located in a municipality with a population of less than ten
26 thousand that has been classified as an area with a shortage of health manpower by
27 the United States Health Service.

28 (b) Property leased to a nonprofit corporation or association for use solely as
29 housing for homeless persons, as defined by regulation adopted by the Louisiana Tax

1 Commission or its successor provided that the term of the lease shall be for at least
2 five years, that as a condition of entering into the lease the property be in compliance
3 with all applicable health and sanitation codes for use as housing for homeless
4 persons, that the lease shall provide that compensation to be paid to the lessor shall
5 not exceed one dollar per year, and that such contract of lease shall recite that the
6 property shall be used exclusively for the purpose of housing the homeless, and
7 further provided that at such time as the property is no longer used solely as housing
8 for homeless persons, the property shall no longer be exempt from taxation.

9 (c) Property of a bona fide labor organization representing its members or
10 affiliates in collective bargaining efforts.

11 (d) Property of an organization such as a lodge or club organized for
12 charitable and fraternal purposes and practicing the same, and property of a nonprofit
13 corporation devoted to promoting trade, travel, and commerce, and also property of
14 a trade, business, industry or professional society or association, if that property is
15 owned by a nonprofit corporation or association organized under the laws of this
16 state for such purposes.

17 (e)(i) None of the property listed in this Paragraph shall be exempt if owned,
18 operated, leased, or used for commercial purposes unrelated to the exempt purposes
19 of the corporation or association.

20 (ii) None of the property listed in this Paragraph shall be exempt if the
21 property is owned by a nonprofit corporation or association and the governing
22 authority of the municipality or parish in which the property is located determines
23 all of the following:

24 (aa) The property is leased as housing, is in a state of disrepair, and
25 manifests conditions which endanger the health or safety of the public.

26 (bb) The owner of the property habitually neglects maintenance of the
27 property as evidenced by three or more sustained code enforcement violations issued
28 for the property in the prior twelve months for matters that endanger the health or
29 safety of residents of the property or of persons in the area surrounding the property.

1 For purposes of this Subitem, matters deemed to endanger health or safety include
2 structural instability due to deterioration; injurious or toxic ventilation; contaminated
3 or inoperable water supply; holes, breaks, rotting materials, or mold in walls; roof
4 defects that admit rain; unsecured overhang extensions in danger of collapse; a
5 hazardous electrical system; improper connection of fuel-burning appliances or
6 equipment; an inactive or inoperable fire detection system; an unsecured or
7 contaminated swimming pool; or any combination of these.

8 (iii) An ad valorem tax exemption denied or revoked pursuant to the
9 provisions of this Subparagraph may be issued or reinstated if the governing
10 authority of the municipality or parish in which the property is located determines
11 that the conditions enumerated in his Subparagraph no longer exist.

12 (3) Cash on hand or deposit.

13 (4) Stocks and bonds, except bank stocks, the tax on which shall be paid by
14 the banking institution.

15 (5) Obligations secured by mortgage on property located in Louisiana and
16 the notes or other evidence thereof.

17 (6) Loans by life insurance companies to policyholders, if secured solely by
18 their policies.

19 (7) The legal reserve of domestic life insurance companies.

20 (8) Loans by a homestead or building and loan association to its members,
21 if secured solely by stock of the association.

22 (9) Debts due for merchandise or other articles of commerce or for services
23 rendered.

24 (10) Obligations of the state or its political subdivisions.

25 (11) Personal property used in the home or on loan in a public place.

26 (12) Irrevocably dedicated places of burial held by individuals for purposes
27 of burial of themselves or members of their families.

1 (13) Agricultural products while owned by the producer, agricultural
2 machinery, and other implements used exclusively for agricultural purposes, animals
3 on the farm, and property belonging to an agricultural fair association.

4 (14) Property used for cultural, Mardi Gras carnival, or civic activities and
5 not operated for profit to the owners.

6 (15) Rights-of-way granted to the Department of Transportation and
7 Development.

8 (16) Boats using gasoline as motor fuel.

9 (17) Commercial vessels used for gathering seafood for human consumption.

10 (18) Ships and oceangoing tugs, towboats, and barges engaged in
11 international trade and domiciled in Louisiana ports. However, this exemption shall
12 not apply to harbor, wharf, shed, and other port dues or to any vessel operated in the
13 coastal trade of the states of the United States.

14 (19) Materials, boiler fuels, and energy sources used by public utilities to
15 fuel the generation of electricity.

16 (20) All incorporeal movables of any kind or nature whatsoever, except
17 public service properties, bank stocks, and credit assessments on premiums written
18 in Louisiana by insurance companies and loan and finance companies. For purposes
19 of this Section, incorporeal movables shall have the meaning set forth in the
20 Louisiana Civil Code of 1870, as amended.

21 (21) All artwork including sculptures, glass works, paintings, drawings,
22 signed and numbered posters, photographs, mixed media, collages, or any other item
23 which would be considered as the material result of a creative endeavor which is
24 listed as a consignment article by an art dealer.

25 (22)(a) Raw materials, goods, commodities, and articles imported into this
26 state from outside the states of the United States provided that one of the following
27 conditions is met:

28 (i) The imports remain on the public property of the port authority or docks
29 of the common carrier where they first entered this state.

1 (ii) The imports, other than minerals and ores of the same kind as any mined
2 or produced in this state and manufactured articles, are held in this state in the
3 original form in bales, sacks, barrels, boxes, cartons, containers, or other original
4 packages, and raw materials held in bulk as all or a part of the new material
5 inventory of manufacturers or processors, solely for manufacturing or processing.

6 (iii) The imports are held by an importer in any public or private storage in
7 the original form in bales, sacks, barrels, boxes, cartons, containers, or other original
8 packages and agricultural products in bulk. This exemption shall not apply to these
9 imports when held by a retail merchant as part of his stock-in-trade for sale at retail.

10 (b) Raw materials, goods, commodities, and other articles being held on the
11 public property of a port authority, on docks of any common carrier, or in a
12 warehouse, grain elevator, dock, wharf, or public storage facility in this state for
13 export to a point outside the states of the United States.

14 (c) Goods, commodities, and personal property in public or private storage
15 while in transit through this state which are moving in interstate commerce through
16 or over the territory of the state or which are in public or private storage within
17 Louisiana, having been shipped from outside Louisiana for storage in transit to a
18 final destination outside Louisiana, whether such destination was specified when
19 transportation began or afterward.

20 (d) Property described in this Paragraph, whether or not entitled to
21 exemption, shall be reported to the proper taxing authority on the forms required by
22 law.

23 (23) Motor vehicles used on the public highways of this state, from state,
24 parish, municipal, and special ad valorem taxes.

25 (24)(a) Notwithstanding any contrary provision of this Section, the State
26 Board of Commerce and Industry or its successor, with the approval of the governor,
27 may enter into contracts for the exemption from ad valorem taxes of a new
28 manufacturing establishment or an addition to an existing manufacturing

1 establishment, on terms and conditions the board, with the approval of the governor,
2 deems in the best interest of the state.

3 (b) The exemption shall be for an initial term of no more than five calendar
4 years and may be renewed for an additional five years. All property exempted shall
5 be listed on the assessment rolls and submitted to the Louisiana Tax Commission or
6 its successor, but no taxes shall be collected on the exempted property during the
7 period of exemption.

8 (c) The terms "manufacturing establishment" and "addition" as used in this
9 Paragraph shall mean a new plant or establishment or an addition or additions to any
10 existing plant or establishment which engages in the business of working raw
11 materials into wares suitable for use or which gives new shapes, qualities, or
12 combinations to matter which already has gone through some artificial process.

13 (25) Coal or lignite stockpiled in Louisiana for use in Louisiana for industrial
14 or manufacturing purposes or for boiler fuel, gasification, feedstock, or process
15 purposes.

16 (26) Notwithstanding any contrary provision of this Section, the State Board
17 of Commerce and Industry or its successor, with the approval of the governor and
18 the local governing authority, may enter into contracts granting to a property owner,
19 who proposes the expansion, restoration, improvement, or development of an
20 existing structure or structures in a downtown, historic, or economic development
21 district established by a local governing authority or in accordance with law, the right
22 for an initial term of five years after completion of the work to pay ad valorem taxes
23 based upon the assessed valuation of the property for the year prior to the
24 commencement of the expansion, restoration, improvement, or development.
25 Contracts may be renewed, subject to the same conditions, for an additional five
26 years extending such right for a total of ten years from completion of the work.

27 (27)(a) Notwithstanding any contrary provision of this Section, the authority
28 or district charged with economic development of each parish may enter into
29 contracts for the exemption from parish, municipal, and special ad valorem taxes of

1 goods held in inventory by distribution centers. In the absence of the existence of an
2 economic development authority or district, the parish governing authority may grant
3 contracts of exemption as are provided for in this Paragraph.

4 (b) The contract for exemption shall be on the terms and to the extent, up to
5 and including the full assessed valuation of the goods held in inventory, as the
6 economic development authority or district deems in the best interest of the parish.
7 However, prior to entering into each individual contract, the economic development
8 authority or district must request and receive written approval of the contract,
9 including its terms and an estimated fiscal impact, from each affected tax recipient
10 body in the parish, as evidenced by a favorable vote of a majority of the members of
11 the governing authority of the tax recipient body. Failure to receive all required
12 approvals from the tax recipient bodies before entering into a contract shall render
13 the contract null and void and of no effect.

14 (c) The term "distribution center" as used in this Paragraph shall mean an
15 establishment engaged in the sale of products for resale or further processing for
16 resale. The term "goods held in inventory" as used in this Paragraph shall mean
17 goods or products which have been given new shapes, qualities, or combinations
18 through some artificial process and does not include raw materials such as natural
19 gas, crude oil, sulphur, or timber or goods or products held for sale to consumers.

20 (28)(a) Drilling rigs used exclusively for the exploration and development
21 of minerals outside the territorial limits of the state in Outer Continental Shelf waters
22 which are within the state for the purpose of being stored or stacked for use outside
23 the territorial limits of the state, or for the purpose of being converted, renovated, or
24 repaired, and any property in the state for the purpose of being incorporated in, or to
25 be used in the operation of said drilling rigs.

26 (b) The exemption provided in this Paragraph shall be applicable in any
27 parish in which the exemption has been approved by a majority of the electors of the
28 parish voting thereon at an election called for that purpose.

1 (29)(a)(i) In addition to the homestead exemption, which applies to the first
2 seven thousand five hundred dollars of the assessed valuation of property, the next
3 two thousand five hundred dollars of the assessed valuation of property receiving the
4 homestead exemption that is owned and occupied by a veteran with a
5 service-connected disability rating of fifty percent or more but less than seventy
6 percent by the United States Department of Veterans Affairs shall be exempt from
7 ad valorem taxation. The surviving spouse of a deceased veteran with a
8 service-connected disability rating of fifty percent or more but less than seventy
9 percent by the United States Department of Veterans Affairs shall be eligible for this
10 exemption if the surviving spouse occupies and remains the owner of the property,
11 whether or not the exemption was in effect on the property prior to the death of the
12 veteran. If property eligible for the exemption provided for in this Item has an
13 assessed value in excess of ten thousand dollars, ad valorem property taxes shall
14 apply to the assessment in excess of ten thousand dollars.

15 (ii) In addition to the homestead exemption, which applies to the first seven
16 thousand five hundred dollars of the assessed valuation of property, the next four
17 thousand five hundred dollars of the assessed valuation of property owned and
18 occupied by a veteran with a service-connected disability rating of seventy percent
19 or more but less than one hundred percent by the United States Department of
20 Veterans Affairs shall be exempt from ad valorem taxation. The surviving spouse of
21 a deceased veteran with a service-connected disability rating of seventy percent or
22 more but less than one hundred percent by the United States Department of Veterans
23 Affairs shall be eligible for this exemption if the surviving spouse occupies and
24 remains the owner of the property, whether or not the exemption was in effect on the
25 property prior to the death of the veteran. If property eligible for the exemption
26 provided for in this Item has an assessed value in excess of twelve thousand dollars,
27 ad valorem property taxes shall apply to the assessment in excess of twelve thousand
28 dollars.

1 (iii) In addition to the homestead exemption, which applies to the first seven
2 thousand five hundred dollars of the assessed valuation of property, the remaining
3 assessed valuation of property receiving the homestead exemption that is owned and
4 occupied by a veteran with a service-connected disability rating of one hundred
5 percent unemployability or totally disabled by the United States Department of
6 Veterans Affairs shall be exempt from ad valorem taxation. The surviving spouse of
7 a deceased veteran with a service-connected disability rating of one hundred percent
8 unemployability or totally disabled by the United States Department of Veterans
9 Affairs shall be eligible for this exemption if the surviving spouse occupies and
10 remains the owner of the property, whether or not the exemption was in effect on the
11 property prior to the death of the veteran.

12 (b) Notwithstanding any provision of the law to the contrary, the property
13 assessment of a property for which an exemption established pursuant to this
14 Paragraph has been claimed, to the extent of the applicable exemption, shall not be
15 treated as taxable property for purposes of any subsequent reappraisals and valuation
16 for millage adjustment purposes. The decrease in the total amount of ad valorem tax
17 collected by a taxing authority as a result of the exemption shall be absorbed by the
18 taxing authority and shall not create any additional tax liability for other taxpayers
19 in the taxing district as a result of any subsequent reappraisal and valuation or
20 millage adjustment. Implementation of the exemption authorized in this Paragraph
21 shall neither trigger nor be cause for a reappraisal of property or an adjustment of
22 millages.

23 (c) A trust shall be eligible for the exemption provided for in this Paragraph.

24 (30)(a) Except as otherwise provided herein, property owned or leased by,
25 and used by, a targeted nonmanufacturing business in the operation of its facility,
26 including buildings, improvements, equipment, and other property necessary or
27 beneficial to such operation, according to a program and pursuant to contracts of
28 exemption which contain terms and conditions. Land underlying the facility and
29 other property pertaining to the facility on which ad valorem taxes have previously

1 been paid, inventories, consumables, and property eligible for the manufacturing
2 exemption provided by Paragraph (24) of this Subsection, shall not be exempt
3 pursuant to this Paragraph.

4 (b) Ad valorem taxes shall apply to the assessed valuation of the first ten
5 million dollars or ten percent of fair market value, whichever is greater, and this
6 amount of property shall not be exempt pursuant to this Paragraph.

7 (c) A targeted nonmanufacturing business means at least fifty percent of such
8 business' total annual sales from a site or sites in the state is to out-of-state customers
9 or buyers, or to in-state customers or buyers but the product or service is resold by
10 the purchaser to an out-of-state customer or buyer for ultimate use, or to the federal
11 government, or any combination thereof.

12 (d) A contract for the exemption shall be available only in parishes which
13 have agreed to participate.

14 (31) There is hereby established an exemption from ad valorem tax for the
15 total assessed value of the homestead of the unmarried surviving spouse of a person
16 who died under the conditions enumerated in Item (a)(i) of this Paragraph, and if the
17 conditions established in Item (a)(ii) of this Paragraph are met.

18 (a)(i) The exemption shall apply beginning in the tax year in which any of
19 the following persons died:

20 (aa) A member of the armed forces of the United States or Louisiana
21 National Guard who died while on duty.

22 (bb) A state police officer who died while on duty.

23 (cc) A law enforcement or fire protection officer who qualified for the salary
24 supplement authorized in Article VII, Section 14(D)(3) of the Constitution of
25 Louisiana who died while on duty or who would have qualified if he had completed
26 the first year of his employment before his death.

27 (dd) An emergency medical responder, technician, or paramedic, as such
28 terms may be defined by law, who died while performing the duties of their
29 employment.

1 (ee) A volunteer firefighter, verified by the Office of the State Fire Marshal
2 to have died while performing firefighting duties.

3 (ii)(aa) The property is eligible for the homestead exemption and the
4 property was the residence of a person listed within Item (i) of this Subparagraph at
5 the time of that person's death.

6 (bb) The surviving spouse has not remarried.

7 (cc) The surviving spouse annually provides evidence of their eligibility for
8 the exemption in accordance with the requirements of Subparagraph (b) of this
9 Paragraph.

10 (b) Each assessor shall establish a procedure whereby a person may annually
11 apply for the exemption. Eligibility for the exemption shall be established by the
12 production of documents and certification of information by the surviving spouse to
13 the assessor as follows:

14 (i) In an initial application for the exemption, the surviving spouse shall
15 produce documentation issued by their deceased spouse's employer evidencing the
16 death.

17 (ii) For purposes of the continuation of an existing exemption, the surviving
18 spouse shall annually provide a sworn statement to the assessor attesting to the fact
19 that the surviving spouse has not remarried.

20 (c) Once an unmarried surviving spouse has qualified for and taken the
21 exemption, if the surviving spouse then acquires a different property which qualifies
22 for the homestead exemption, the surviving spouse shall be entitled to an exemption
23 on that subsequent homestead, the exemption being limited in value to the amount
24 of the exemption claimed on the prior homestead in the last year for which the
25 exemption was claimed. The assessor may require the submission of certain
26 information concerning the amount of the exemption on the prior homestead for
27 purposes of determining the extent of the exemption available for the subsequent
28 homestead.

1 (d) A trust shall be eligible for the exemption provided for in this Paragraph.

2 (32)(a) All property delivered to a construction project site for the purpose
3 of incorporating the property into any tract of land, building, or other construction
4 as a component part, including the type of property that may be deemed to be a
5 component part once placed on an immovable for its service and improvement
6 pursuant to the provisions of the Louisiana Civil Code of 1870, as amended. The
7 exemption provided for in this Paragraph shall be applicable until the construction
8 project for which the property has been delivered is complete. A construction project
9 shall be deemed complete when construction is finished to the extent that the project
10 can be used or occupied for its intended purpose. A construction project shall not be
11 deemed complete during its inspection, testing, or commissioning stages, as defined
12 by reasonable industry standards.

13 (b) Notwithstanding the provisions of Subparagraph (a) of this Paragraph,
14 this exemption shall not apply to any of the following:

15 (i) Any portion of a construction project that is complete, available for its
16 intended use, or operational on the date that property is assessed.

17 (ii) For projects constructed in two or more distinct phases, any phase of the
18 construction project that is complete, available for its intended use, or operational on
19 the date the property is assessed.

20 (iii) Any public service property, unless the public service property is
21 otherwise eligible for an exemption provided by any other provision of law.

22 (33)(a) In addition to the homestead, which applies to the first seven
23 thousand five hundred dollars of the assessed valuation of property, a parish
24 governing authority may approve an ad valorem tax exemption of up to two thousand
25 five hundred dollars of the assessed valuation of property receiving the homestead
26 exemption that is owned and occupied by a qualified first responder.

27 (b) For the purposes of this Paragraph, "first responder" shall mean a
28 volunteer firefighter who has completed within the tax year no fewer than
29 twenty-four hours of firefighter continuing education and is an active member of the

1 Louisiana State Firemen's Association or is on the departmental personnel roster of
2 the Volunteer Firefighter Insurance Program of the office of state fire marshal. For
3 the purposes of this Paragraph, "first responder" shall also mean a full-time public
4 employee whose duties include responding rapidly to an emergency and who resides
5 in the same parish in which their employer is located. The term includes the
6 following:

7 (i) Peace officer, which means any sheriff, police officer, or other person
8 deputized by proper authority to serve as a peace officer.

9 (ii) Fire protection personnel.

10 (iii) An individual certified as emergency medical services personnel.

11 (iv) An emergency response operator or emergency services dispatcher who
12 provides communication support services for an agency by responding to requests
13 for assistance in emergencies.

14 (c) The exemption provided for in this Paragraph shall only apply in a parish
15 if it is approved by the parish governing authority.

16 (d) Each tax assessor shall establish a procedure whereby a person may
17 annually apply for the exemption which shall include the production of documents
18 by the first responder. In the application for the exemption, the first responder shall
19 produce documentation issued by his employer evidencing employment for the
20 taxable period for which the exemption is being requested.

21 (e) Notwithstanding any provision of the law to the contrary, any decrease
22 in the total amount of ad valorem tax collected by the taxing authority as a result of
23 an ad valorem tax exemption granted pursuant to this Paragraph shall be absorbed
24 by the taxing authority and shall not create any additional tax liability for other
25 taxpayers in the taxing district as a result of any subsequent reappraisal and valuation
26 or millage adjustment. Implementation of the exemption authorized in this Paragraph
27 shall neither trigger nor be cause for a reappraisal of property or an adjustment of
28 millages.

1 B.(1) There shall be an optional ad valorem tax exemption on items
2 constituting business inventory, including goods which are held for sale and goods
3 in production or for ultimate consumption in the production of goods or services for
4 sale.

5 (2) The exemption provided for in this Subsection shall only apply in
6 parishes in which the sheriff, school board, and the parish governing authority elect
7 to exempt business inventory from ad valorem taxation.

8 (3) The exemption election shall be evidenced in writing and shall indicate
9 if the parish will implement the full exemption immediately or over a period not to
10 exceed five years. The election shall be made no later than July 1, 2026, and shall be
11 applicable to taxable periods beginning January 1, 2026. Any election made
12 pursuant to this Subsection shall be irrevocable.

13 (4)(a) A parish electing to exempt items constituting business inventory shall
14 receive a payment in accordance with Article VII, Section 35 of the Constitution and
15 R.S. 39:100.112. The tax collector of each parish electing to exempt items
16 constituting business inventory shall distribute the monies received from the
17 treasurer on a pro rata basis to each taxing authority that levies an ad valorem tax
18 within the parish. The treasurer shall disburse monies to the collector within thirty
19 days of receipt of a certification from the secretary of the Department of Revenue
20 that the parish has irrevocably elected to exempt business inventory from ad valorem
21 tax.

22 (b) Any parish that elects to exempt one hundred percent of business
23 inventory from ad valorem tax and implements the exemption immediately shall
24 receive a payment equal to the greater of thrice the amount of ad valorem taxes
25 collected on business inventory within the parish for the 2023 tax year as calculated
26 in the chart provided for in Subparagraph (d) or one million dollars. However, the
27 maximum amount a parish may receive pursuant to the provisions of this
28 Subparagraph shall not exceed fifteen million dollars.

1 (c) Any parish that elects to phase-in an exemption of business inventory
 2 from ad valorem tax over a period not to exceed five years shall receive a payment
 3 equal to the greater of the amount of ad valorem taxes collected on business
 4 inventory within the parish for the 2023 tax year as calculated in the chart provided
 5 for in Subparagraph (d) or five hundred thousand dollars. However, the maximum
 6 amount a parish may receive pursuant to the provisions of this Subparagraph shall
 7 not exceed ten million dollars.

8 (d) Payments to parishes electing to exempt items constituting business
 9 inventory shall be as follows:

<u>Parish</u>	<u>Payment amount if property is immediately exempt from ad valorem tax</u>	<u>Payment amount if property is exempt from ad valorem tax through a phase-in</u>
<u>ACADIA</u>	<u>\$8,064,687</u>	<u>\$2,688,229</u>
<u>ALLEN</u>	<u>\$4,649,178</u>	<u>\$1,549,726</u>
<u>ASCENSION</u>	<u>\$15,000,000</u>	<u>\$10,000,000</u>
<u>ASSUMPTION</u>	<u>\$12,643,215</u>	<u>\$4,214,405</u>
<u>AVOUELLES</u>	<u>\$3,311,623</u>	<u>\$1,103,874</u>
<u>BEAUREGARD</u>	<u>\$10,698,616</u>	<u>\$3,566,205</u>
<u>BIENVILLE</u>	<u>\$15,000,000</u>	<u>\$9,803,655</u>
<u>BOSSIER</u>	<u>\$15,000,000</u>	<u>\$10,000,000</u>
<u>CADDO</u>	<u>\$15,000,000</u>	<u>\$10,000,000</u>
<u>CALCASIEU</u>	<u>\$15,000,000</u>	<u>\$10,000,000</u>
<u>CALDWELL</u>	<u>\$1,000,000</u>	<u>\$500,000</u>
<u>CAMERON</u>	<u>\$11,841,732</u>	<u>\$3,947,244</u>
<u>CATAHOULA</u>	<u>\$1,000,000</u>	<u>\$500,000</u>
<u>CLAIBORNE</u>	<u>\$1,000,000</u>	<u>\$500,000</u>
<u>CONCORDIA</u>	<u>\$2,591,401</u>	<u>\$863,800</u>
<u>DESOTO</u>	<u>\$4,506,854</u>	<u>\$1,502,285</u>
<u>EAST BATON ROUGE</u>	<u>\$15,000,000</u>	<u>\$10,000,000</u>
<u>EAST CARROLL</u>	<u>\$2,942,280</u>	<u>\$980,760</u>
<u>EAST FELICIANA</u>	<u>\$2,361,471</u>	<u>\$787,157</u>

1	<u>EVANGELINE</u>	<u>\$9,014,235</u>	<u>\$3,004,745</u>
2	<u>FRANKLIN</u>	<u>\$4,100,553</u>	<u>\$1,366,851</u>
3	<u>GRANT</u>	<u>\$2,996,249</u>	<u>\$998,750</u>
4	<u>IBERIA</u>	<u>\$15,000,000</u>	<u>\$5,485,411</u>
5	<u>IBERVILLE</u>	<u>\$15,000,000</u>	<u>\$10,000,000</u>
6	<u>JACKSON</u>	<u>\$2,334,131</u>	<u>\$778,044</u>
7	<u>JEFF DAVIS</u>	<u>\$5,318,676</u>	<u>\$1,772,892</u>
8	<u>JEFFERSON</u>	<u>\$15,000,000</u>	<u>\$10,000,000</u>
9	<u>LAFAYETTE</u>	<u>\$15,000,000</u>	<u>\$10,000,000</u>
10	<u>LAFOURCHE</u>	<u>\$15,000,000</u>	<u>\$6,119,490</u>
11	<u>LASALLE</u>	<u>\$3,686,862</u>	<u>\$1,228,954</u>
12	<u>LINCOLN</u>	<u>\$8,279,452</u>	<u>\$2,759,817</u>
13	<u>LIVINGSTON</u>	<u>\$13,489,157</u>	<u>\$4,496,386</u>
14	<u>MADISON</u>	<u>\$3,868,362</u>	<u>\$1,289,454</u>
15	<u>MOREHOUSE</u>	<u>\$4,726,058</u>	<u>\$1,575,353</u>
16	<u>NATCHITOCHE</u>	<u>\$6,077,027</u>	<u>\$2,025,676</u>
17	<u>ORLEANS</u>	<u>\$15,000,000</u>	<u>\$10,000,000</u>
18	<u>OUACHITA</u>	<u>\$15,000,000</u>	<u>\$10,000,000</u>
19	<u>PLAQUEMINES</u>	<u>\$15,000,000</u>	<u>\$8,442,726</u>
20	<u>POINTE COUPEE</u>	<u>\$3,399,273</u>	<u>\$1,133,091</u>
21	<u>RAPIDES</u>	<u>\$15,000,000</u>	<u>\$10,000,000</u>
22	<u>RED RIVER</u>	<u>\$1,421,703</u>	<u>\$500,000</u>
23	<u>RICHLAND</u>	<u>\$5,095,444</u>	<u>\$1,698,481</u>
24	<u>SABINE</u>	<u>\$2,046,475</u>	<u>\$682,158</u>
25	<u>ST BERNARD</u>	<u>\$15,000,000</u>	<u>\$10,000,000</u>
26	<u>ST CHARLES</u>	<u>\$15,000,000</u>	<u>\$10,000,000</u>
27	<u>ST HELENA</u>	<u>\$1,000,000</u>	<u>\$500,000</u>
28	<u>ST JAMES</u>	<u>\$15,000,000</u>	<u>\$10,000,000</u>
29	<u>ST JOHN</u>	<u>\$15,000,000</u>	<u>\$10,000,000</u>
30	<u>ST LANDRY</u>	<u>\$15,000,000</u>	<u>\$8,013,535</u>
31	<u>ST MARTIN</u>	<u>\$15,000,000</u>	<u>\$6,128,714</u>
32	<u>ST MARY</u>	<u>\$15,000,000</u>	<u>\$7,325,494</u>
33	<u>ST TAMMANY</u>	<u>\$15,000,000</u>	<u>\$10,000,000</u>
34	<u>TANGIPAHOA</u>	<u>\$15,000,000</u>	<u>\$7,294,402</u>
35	<u>TENSAS</u>	<u>\$1,000,000</u>	<u>\$500,000</u>

1	<u>TERREBONNE</u>	\$15,000,000	\$8,835,679
2	<u>UNION</u>	\$1,428,985	\$500,000
3	<u>VERMILION</u>	\$4,236,873	\$1,412,291
4	<u>VERNON</u>	\$3,585,481	\$1,195,160
5	<u>WASHINGTON</u>	\$4,904,267	\$1,634,756
6	<u>WEBSTER</u>	\$9,632,542	\$3,210,847
7	<u>WEST BATON ROUGE</u>	\$15,000,000	\$10,000,000
8	<u>WEST CARROLL</u>	\$1,277,144	\$500,000
9	<u>WEST FELICIANA</u>	\$1,800,699	\$600,233
10	<u>WINN</u>	\$1,964,567	\$654,856

11 (5) A parish may elect to exempt ad valorem tax on items constituting
 12 business inventory at any time, in accordance with the provisions of this Subsection.
 13 However, any parish electing to exempt business inventory from ad valorem tax on
 14 or after July 2, 2026, shall not receive a payment in accordance with Article VII
 15 Section 34 of the Constitution of Louisiana and R.S. 39:100.112.

16 (6) Property for which the exemption authorized in this Subsection has been
 17 claimed shall not be treated as taxable property for purposes of any subsequent
 18 reappraisals and valuation for millage adjustment purposes pursuant to R.S. 47:1719.
 19 Any decrease in the total amount of ad valorem tax collected by a taxing authority
 20 as a result of the ad valorem exemption authorized in this Subsection shall be
 21 absorbed by the taxing authority and shall not create any additional tax liability for
 22 taxpayers in the taxing district as a result of any subsequent reappraisal and valuation
 23 or millage adjustment. Implementation of the exemption authorized in this
 24 Subsection shall neither trigger nor be cause for a reappraisal of property or an
 25 adjustment of millages pursuant to R.S. 47:1719.

26 §1703.1. Permanent registration of homestead exemption; designated parishes

27 A. The tax assessor for the parishes of Acadia, Allen, Ascension,
 28 Assumption, Avoyelles, Beauregard, Bienville, Caddo, Calcasieu, Caldwell,
 29 Cameron, Catahoula, Claiborne, Concordia, DeSoto, East Baton Rouge, East Carroll,
 30 East Feliciana, Evangeline, Franklin, Grant, Iberia, Iberville, Jackson, Jefferson,
 31 Jefferson Davis, Lafayette, Lafourche, LaSalle, Lincoln, Livingston, Morehouse,

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

1 Natchitoches, Orleans, Ouachita, Pointe Coupee, Rapides, Red River, Richland,
 2 Sabine, St. Bernard, St. Helena, St. James, St. John the Baptist, St. Landry, St.
 3 Martin, St. Mary, St. Tammany, Tangipahoa, Tensas, Terrebonne, Union, Vermilion,
 4 Vernon, Washington, Webster, West Baton Rouge, West Carroll, West Feliciana,
 5 and Winn shall provide a form to property owners within the parish for permanent
 6 registration for the benefits of the homestead exemption ~~provided for in R.S.~~
 7 ~~47:1703.~~

* * *

9 §1705. Information supplied to assessor and legislative auditor by tax recipient
 10 agencies; additional notices

* * *

12 B.(1)(a) For any taxing authority with a governing authority membership
 13 which is elected by the voters, increases in the millage rate in excess of the rates
 14 established as provided by ~~Article VII, Section 23(B) of the Constitution of~~
 15 ~~Louisiana~~ R.S. 47:1719, but not in excess of the prior year's maximum authorized
 16 millage rate may be levied by two-thirds vote of the total membership of a taxing
 17 authority without further voter approval but only after a public hearing held in
 18 accordance with the open meetings law.

19 (b)(i) Any taxing authority with a governing authority membership which
 20 is not elected by the voters may increase a millage rate in excess of the rates
 21 established as provided in ~~Article VII, Section 23(B) of the Constitution of Louisiana~~
 22 R.S. 47:1719, but not in excess of the prior year's maximum authorized millage rate.
 23 ~~Such~~ The increased millage shall also be limited to an amount which would increase
 24 the ad valorem taxes collected by the taxing authority by no more than two and
 25 one-half percent of the collections for the calendar year immediately preceding the
 26 year for which the increased millage rate is effective.

* * *

1 (2) In order to accomplish this result, the following shall be mandatory:

2 (a) Each tax recipient body shall adopt an ordinance or resolution which
3 shall set forth and designate the adjusted millage rate as required by ~~Article VII,~~
4 ~~Section 23(B) of the Constitution of Louisiana~~ R.S. 47:1719.

5 (b) Each tax recipient body shall adopt another separate ordinance or
6 resolution which shall provide for ~~such~~ the millage rate increases by two-thirds vote
7 and shall set forth and designate not only the increased millage rate but also the
8 adjusted millage rate as required in Subparagraph (a) ~~above~~ of this Paragraph and by
9 ~~Article VII, Section 23(B) of the Constitution of Louisiana~~ R.S. 47:1719.

10 (c)(i) In addition to any notice requirements provided for in ~~Article VII,~~
11 ~~Section 23(C) of the Constitution of Louisiana~~ R.S. 47:1719 and this Section, any tax
12 recipient body which proposes to hold a public hearing in any tax year for the
13 purpose of levying additional or increased millages on property without further voter
14 approval shall publish, by the date provided for in Item (ii) of this Subparagraph,
15 public notice of the date, time, and place of the hearing. The notice shall contain a
16 statement that the tax recipient body intends to consider at the hearing levying
17 additional or increased millage rates without further voter approval. It shall also
18 contain the following information relating to the proposal for the increased millage
19 sought ~~under~~ pursuant to the provisions of Paragraph (1) of this Subsection.

20 * * *

21 (ii)~~(aa)~~ The notice shall be published on two separate days, occurring no less
22 than thirty days before the hearing date, in the official journal of the taxing authority,
23 and in another newspaper with a larger circulation within the taxing authority than
24 the official journal of the taxing authority, if there is one. On the first day of
25 publication, the notice shall also be posted on the Internet website of the taxing
26 authority, if such taxing authority maintains an Internet website. The Internet
27 posting shall remain active until such time as the taxing authority has taken action
28 to approve or disapprove, or has abandoned action on, the proposed millage increase.

29 * * *

1 (d) In addition to the requirements for publication provided for in ~~this~~
2 Subparagraph (c) of this Paragraph, the tax recipient body shall issue a press release
3 to newspapers with substantial distribution within the parish of the tax recipient's
4 jurisdiction and to area broadcast media.

5 * * *

6 D. In order to carry out the mandate of ~~Article VII, Section 23(B) of the~~
7 ~~Constitution of Louisiana~~ R.S. 47:1719, the legislative auditor is hereby authorized
8 and required to review the millages levied by each tax recipient body in each year
9 that reassessment occurs to determine whether the millages levied are in compliance
10 with the provisions of this Section and the ~~constitution~~ Constitution of Louisiana.
11 The legislative auditor is also authorized and required to review the millages levied
12 by each tax recipient body in each year in which an increase in millage is made by
13 a two-thirds vote of the total membership of the taxing authority under the provisions
14 of ~~Article VII, Section 23(C) of the Constitution of Louisiana~~ R.S. 47:1719, to
15 determine whether the millage levied is in compliance with the provisions of this
16 Section ~~and the Constitution~~. The auditor shall order changes in the amount of
17 millage levied if the auditor determines thereafter that a mathematical error or
18 mathematical errors have been made in the calculation of the adjustment of millages
19 as required by ~~this Section and the Constitution of Louisiana~~ R.S.47:1719.

20 * * *

21 §1707. Exemptions, agricultural machinery and implements, farm structures, and
22 timber logging equipment; definition

23 For the purpose of applying the exemption from ad valorem taxation
24 provided in ~~Section 21 of Article VII of the Constitution of Louisiana~~ R.S. 47:1703,
25 the term "agricultural machinery and other implements used exclusively for
26 agricultural purposes" shall mean agricultural and horticultural implements
27 immediately and directly employed in cultivation, production, and harvest of crops
28 or in the raising and management of livestock in use upon agricultural lands. The
29 term also shall include machinery for soil preparation and cultivation, agricultural

1 drills and planters, fertilizer spreaders, crop-dusting airplanes, harvesting and
 2 threshing machinery, hay or grass mowers except lawn mowers, farm wagons and
 3 carts, milking machines, farm structures, except a building used for a principal
 4 residence, on-farm equipment for the handling or drying of agricultural or
 5 horticultural products, and parts of any of the foregoing, all equipment utilized in the
 6 logging of timber whether used by the owner or lessor of the agricultural land or on
 7 a contractual service basis by someone other than the owner or lessor but shall
 8 exclude, except as otherwise provided herein, bulldozers, earth moving, and land-
 9 clearing equipment utilized in such agricultural activities on a contractual service
 10 basis by someone other than the owner or lessor of the agricultural lands involved.

11 §1707.1. Agricultural byproducts

12 For ~~the purpose~~ purposes of ~~Section 21(C)(11) of Article VII of the~~
 13 ~~Constitution of Louisiana~~ the exemptions provided for in R.S. 47:1703(A)(13), the
 14 phrase "agricultural products while owned by the producer" shall include standing
 15 timber and the right to cut and use standing timber, whether held by the owner of the
 16 land or any other person.

17 §1708. Exemption for property leased to nonprofit organizations for the purpose of
 18 housing the homeless

19 For the purpose of applying the exemption from ad valorem taxation
 20 provided in ~~Article VII, Section (21)(B)(1)(b) of the Constitution of Louisiana~~ R.S.
 21 47:1703(A)(2)(b), "term of the lease" shall mean the total length of the lease,
 22 including renewals at the option of lessees, that the lessor obligates property to a
 23 nonprofit corporation or association for use solely as housing for the homeless.

24 * * *

25 §1710. Homestead exemption; residential lessees; tax credits

26 A. ~~The purpose of this Section is to partially implement the provisions of~~
 27 ~~Article VII, Section 20(B) of the Constitution of Louisiana relative to the providing~~
 28 ~~of tax relief to residential lessees in order to provide equitable tax relief similar to~~
 29 ~~that granted to homeowners through homestead exemptions.~~

1 in excess of the special assessment level shall abate subsequent years' ad valorem
2 taxes on the property until the payment has been exhausted.

3 §1714. Exemption for property of a disabled veteran or a surviving spouse;
4 eligibility for certain trusts

5 A trust shall be eligible for the ad valorem tax exemption established ~~under~~
6 ~~Article VII, Section 21(K) of the Louisiana Constitution~~ pursuant to R.S.
7 47:1703(A)(29) which provides an exemption for a disabled veteran or a surviving
8 spouse if all of the following apply:

9 (1) The settlor or settlors of the trust meet the conditions for eligibility
10 established ~~under Article VII, Section 21(K) of the Louisiana Constitution~~ pursuant
11 to R.S. 47:1703(A)(29).

12 * * *

13 (6) The settlor or settlors would have been eligible for the exemption
14 established under ~~Article VII, Section 21(K) of the Louisiana Constitution~~ R.S.
15 47:1703(A)(29) had they retained the naked ownership of the homestead.

16 §1715. Exemption for property of the surviving spouse of certain military personnel,
17 law enforcement and fire protection officers, and other first responders;
18 eligibility for certain trusts

19 A trust shall be eligible for the ad valorem tax exemption established ~~under~~
20 ~~Article VII, Section 21(M) of the Louisiana Constitution~~ pursuant to R.S.
21 47:1703(A)(31) which provides an exemption for the surviving spouse of certain
22 persons who died while performing their duties as a member of the military, law
23 enforcement or fire protection officer, volunteer firefighter, medical responder,
24 technician, or paramedic ~~as provided in the Louisiana Constitution~~, if all of the
25 following apply:

26 (1) The settlor or settlors of the trust meet the conditions for eligibility
27 established ~~under Article VII, Section 21(M) of the Louisiana Constitution~~ pursuant
28 to R.S. 47:1703(A)(31).

29 * * *

1 (6) The settlor or settlors would have been eligible for the exemption
2 established ~~under Article VII, Section 21(M) of the Louisiana Constitution~~ pursuant
3 to R.S. 47:1703(A)(31) had they retained the naked ownership of the homestead.

4 §1716. Exemption for property of certain veterans with disabilities; applicability

5 The exemption provided for in ~~Article VII, Section 21(K) of the Constitution~~
6 ~~of Louisiana~~ R.S. 47:1703(A)(29) shall apply to ad valorem property taxes due
7 beginning in tax year 2023, regardless of when property tax assessment rolls are
8 completed for tax year 2023.

9 §1717. Special Assessment Level

10 A.(1)(a) The assessment of residential property receiving the homestead
11 exemption which is owned and occupied by any of the following and who meet all
12 of the other requirements of this exemption shall not be increased above the total
13 assessment of that property for the first year that the owner qualifies for and receives
14 the special assessment level, provided the person or persons remain qualified for and
15 receive the special assessment level:

16 (i) People who are sixty-five years of age or older.

17 (ii) People who have a service-connected disability rating of fifty percent or
18 more by the United States Department of Veterans Affairs.

19 (iii) Members of the armed forces of the United States or the Louisiana
20 National Guard who owned and last occupied the property who are killed in action,
21 or who are missing in action or are a prisoner of war for a period exceeding ninety
22 days.

23 (iv) Any person or persons permanently totally disabled as determined by a
24 final nonappealable judgment of a court or as certified by a state or federal
25 administrative agency charged with the responsibility for making determinations
26 regarding disability.

27 (b) Any person or persons shall be prohibited from receiving the special
28 assessment as provided in this Section if the person's or persons' adjusted gross
29 income, as reported in the federal tax return for the year prior to the application for

1 the special assessment, exceeds one hundred thousand dollars. For persons applying
2 for the special assessment whose filing status is married filing separately, the
3 adjusted gross income for purposes of this Section shall be determined by combining
4 the adjusted gross income on both federal tax returns. The one hundred thousand
5 dollar limit shall be adjusted annually by the Consumer Price Index as reported by
6 the United States Government.

7 (c) An eligible owner or the owner's spouse or other legally qualified
8 representative shall apply for the special assessment level by filing a signed
9 application establishing that the owner qualifies for the special assessment level with
10 the assessor of the parish or, in the parish of Orleans, the assessor of the district
11 where the property is located.

12 (d) An owner who is below the age of sixty-five and who has applied for
13 and received the special assessment level may qualify for and receive the special
14 assessment level in the subsequent year by certifying to the assessor of the parish
15 that the person's adjusted gross income in the prior tax year satisfied the income
16 requirement of this Section. The provisions of this Subparagraph shall not apply to
17 an owner who has qualified for and received the special assessment level for a person
18 sixty-five years of age or older or to the owner's surviving spouse as described in
19 Subparagraph (B)(1)(a) of this Section or for an owner who is permanently totally
20 disabled as provided for in Item (a)(iv) of this Paragraph.

21 (2) Any millage rate applied to the special assessment level shall not be
22 subject to a limitation.

23 B. Provided the owner is qualified for and receives the special assessment
24 level, the special assessment level shall remain on the property as long as:

25 (1)(a) The owner who is sixty-five years of age or older, or that owner's
26 surviving spouse who is fifty-five years of age or older or who has minor children,
27 remains the owner of the property.

1 (b) The owner who has a service-connected disability of fifty percent or
2 more, or that owner's surviving spouse who is forty-five years of age or older or who
3 has minor children, remains the owner of the property.

4 (c) The spouse of the owner who is killed in action remains the owner of the
5 property.

6 (d) The first day of the tax year following the tax year in which an owner
7 who was missing in action or was a prisoner of war for a period exceeding ninety
8 days is no longer missing in action or a prisoner of war.

9 (e) Even if the ownership interest of any surviving spouse or spouse of an
10 owner who is missing in action as provided for in this Subsection is an interest in
11 usufruct.

12 (2) The value of the property does not increase more than twenty-five
13 percent because of construction or reconstruction.

14 C. A new or subsequent owner of the property may claim a special
15 assessment level when eligible pursuant to this Section. The new owner is not
16 necessarily entitled to the same special assessment level on the property as when that
17 property was owned by the previous owner.

18 D.(1) The special assessment level on property that is sold shall
19 automatically expire on the last day of December in the year prior to the year that the
20 property is sold. The property shall be immediately revalued at fair market value by
21 the assessor and shall be assessed by the assessor on the assessment rolls in the year
22 it was sold at the assessment level provided for in Article VII, Section 31 of the
23 Constitution of Louisiana.

24 (2) This new assessment level shall remain in effect until changed.

25 E.(1) Any owner entitled to the special assessment level set forth in this
26 Section who is unable to occupy the homestead on or before December thirty-first
27 of a future calendar year due to damage or destruction of the homestead caused by
28 a disaster or emergency declared by the governor shall be entitled to keep the special
29 assessment level of the homestead prior to its damage or destruction on the repaired

1 or rebuilt homestead provided the repaired or rebuilt homestead is reoccupied by the
2 owner within five years from December thirty-first of the year following the disaster.
3 The assessed value of the land and buildings on which the homestead was located
4 prior to its damage shall not be increased above its assessed value immediately prior
5 to the damage or destruction described in this Paragraph. If the property owner
6 receives a homestead exemption on another homestead during the same five-year
7 period, the damaged or destroyed property shall not be entitled to keep the special
8 assessment level, and the land and buildings shall be assessed in that year at the
9 percentage of fair market value. In addition, the owner shall also maintain the
10 homestead exemption set forth in the constitution to qualify for the special
11 assessment level in this Paragraph.

12 (2) Any owner entitled to the special assessment level set forth in Paragraph
13 (1) of this Subsection who is unable to reoccupy his homestead within five years
14 from December thirty-first of the year following the disaster shall be eligible for an
15 extension of the special assessment level on the homestead for a period not to exceed
16 two years. A homeowner shall be eligible for this extension only if the homeowner's
17 damage claim is filed and pending in a formal appeal process with any federal, state,
18 or local government agency or program offering grants or assistance for repairing or
19 rebuilding damaged or destroyed homes as a result of the disaster, or if a homeowner
20 has a damage claim filed and pending against the insurer of the property. The
21 homeowner shall apply for this extension of the special assessment level with the
22 assessor of the parish in which the homestead is located. The assessor shall require
23 the homeowner to provide official documentation from the government agency or
24 program evidencing the homeowner's participation in the formal appeal process or
25 official documentation evidencing the homeowner has a damage claim filed and
26 pending against the insurer of the damaged property.

27 (3) After expiration of the extension authorized in Paragraph (2) of this
28 Subsection, an assessor shall have the authority to grant on a case-by-case basis up
29 to three additional one-year extensions of the special assessment level.

1 F.(1) A trust shall be eligible for the special assessment.

2 (2) If a trust would have been eligible for the special assessment level
3 pursuant to this Subsection prior to the most recent reappraisal, the total assessment
4 of the property held in trust shall be the assessed value on the last appraisal before
5 the reappraisal.

6 §1718. Homestead Exemption

7 A.(1) The exemption for a bona fide homestead as defined in the
8 Constitution of Louisiana, shall be seven thousand, five hundred dollars of the
9 assessed valuation.

10 (2) Any taxpayer entitled to the homestead exemption set forth in the
11 Constitution of Louisiana must own and occupy the homestead on or before
12 December thirty-first of the calendar year in which the exemption is claimed
13 regardless of its homestead exemption status as of January first of the calendar year
14 in which the homestead exemption is claimed.

15 B. Orleans Parish. In the parish of Orleans, the status of real and personal
16 property on the first day of August of each year, except as provided in Paragraph
17 (A)(2) of this Section, shall determine its liability for exemption from taxation for
18 the following calendar year.

19 C.(1) Penalties for false statements. Any person who, either in his individual
20 or representative capacity, knowingly makes any false statement or knowingly
21 furnishes any false information in any affidavit or other document that he may
22 present for the purpose of procuring or attempting to procure this tax exemption or
23 benefit pursuant to the provisions of this Section, or who knowingly, for the purpose
24 of securing the tax exemption, presents any affidavit or other document containing
25 any false statement, or any person aiding, assisting or abetting any person in
26 unlawfully and knowingly securing or attempting to secure any tax exemption, with
27 knowledge of the false or illegal application or the false statement, shall be guilty of
28 a misdemeanor punishable as provided in this Section.

1 (2) Any assessor, deputy assessor, or other official, clerk or employee of the
2 state or any of its political subdivisions, who knowingly reports, lists, or claims any
3 property on which exemption from taxes pursuant to Article VII, Section 33 of the
4 Constitution of Louisiana and R.S. 47:1703 has been applied for, to be subject to a
5 higher millage for taxation purposes than is the true millage applicable thereto, shall
6 be guilty of a misdemeanor, punishable as provided in this Section.

7 (3) Upon conviction for a violation of any of the provisions of this
8 Subsection, the offender shall be punishable by a fine of not less than one hundred
9 dollars, nor more than five hundred dollars, or by imprisonment of not less than one
10 month, nor more than six months, or both.

11 D. Undivided ownership. The exemption for a bona fide homestead, as
12 provided for in Subsection A of this Section, when occupied by an heir in the direct
13 line in undivided ownership shall be granted to the full extent provided no other
14 homestead exemption is claimed by that person.

15 E. For property damaged during a disaster or emergency, the following
16 shall apply:

17 (1)(a) Any homestead receiving the homestead exemption that is damaged
18 or destroyed during a disaster or emergency declared by the governor whose owner
19 is unable to occupy the homestead on or before December thirty-first of a calendar
20 year due to damage or destruction shall be entitled to claim the exemption by filing
21 with the assessor of the parish in which the homestead was located, an annual
22 affidavit of intent to return and reoccupy the homestead within a period of five years
23 from December thirty-first of the tax year in which the disaster occurred. In no event
24 shall more than one homestead exemption extend or apply to any person in this state.

25 (b) For a homestead qualifying for the homestead exemption pursuant to the
26 provisions of this Paragraph, after expiration of the five-year period, the owner of a
27 homestead shall be entitled to claim and keep the exemption for a period not to
28 exceed two additional years by filing an annual affidavit of intent to return and
29 reoccupy the homestead with the assessor within the parish where the homestead is

1 situated. A homeowner shall be eligible for this extension only if the homeowner's
2 damage claim to repair or rebuild the damaged or destroyed homestead is filed and
3 pending in a formal appeal process with any federal, state, or local government
4 agency or program offering grants or assistance for repairing or rebuilding damaged
5 or destroyed homes as a result of the disaster, or if a homeowner has a damage claim
6 filed and pending against the insurer of the property. The assessor shall require the
7 homeowner to provide official documentation from the government agency or
8 program evidencing the homeowner's participation in the formal appeal process or
9 official documentation evidencing the homeowner has a damage claim filed and
10 pending against the insurer of the property.

11 (c) After expiration of the extension authorized in Subparagraph (b) of this
12 Paragraph, an assessor shall have the authority to grant up to three additional one-
13 year extensions of the homestead exemption on a case-by-case basis. A homeowner
14 shall only be eligible for an additional extension if the owner has made a good faith
15 attempt to secure a contractor or builder to complete the needed repairs or
16 reconstruction of the home but is unable to complete the project due to
17 uncontrollable contractor or builder delays. In order to qualify for this extension, the
18 homeowner shall provide to the assessor documentation evidencing good faith in
19 attempting to secure a contractor or builder to complete the project.

20 (2)(a) Any owner entitled to the special assessment level set forth in R.S.
21 47:1717 who is unable to occupy the homestead on or before December thirty-first
22 of a future calendar year due to damage or destruction of the homestead caused by
23 a disaster or emergency declared by the governor shall be entitled to keep the special
24 assessment level of the homestead prior to its damage or destruction on the repaired
25 or rebuilt homestead provided the repaired or rebuilt homestead is occupied by the
26 owner within five years from December thirty-first of the year following the disaster.
27 The assessed value of the land and buildings on which the homestead was located
28 prior to its damage shall not be increased above its assessed value immediately prior
29 to the damage or destruction described in this Paragraph. If the property owner

1 receives a homestead exemption on another homestead during the same five-year
2 period, the damaged or destroyed property shall not be entitled to keep the special
3 assessment level, and the land and buildings shall be assessed in that year at the
4 percentage of fair market value set forth in the constitution. In addition, the owner
5 must also maintain the homestead exemption set forth in Article VII, Section 33 of
6 the Constitution of Louisiana and this Section to qualify for the special assessment
7 level set forth in R.S. 47:1717.

8 (b) Any owner entitled to the special assessment level as provided for in this
9 Paragraph who is unable to reoccupy his homestead within five years from
10 December thirty-first of the year following the disaster shall be eligible for an
11 extension of the special assessment level on the homestead for a period not to exceed
12 two years. A homeowner shall be eligible for this extension only if the homeowner's
13 damage claim is filed and pending in a formal appeal process with any federal, state,
14 or local government agency or program offering grants or assistance for repairing or
15 rebuilding damaged or destroyed homes as a result of the disaster, or if a homeowner
16 has a damage claim filed and pending against the insurer of the property. The
17 homeowner shall apply for this extension of the special assessment level with the
18 assessor of the parish in which the homestead is located. The assessor shall require
19 the homeowner to provide official documentation from the government agency or
20 program evidencing the homeowner's participation in the formal appeal process or
21 official documentation evidencing the homeowner has a damage claim filed and
22 pending against the insurer of the property.

23 (c) After expiration of the extension authorized in Subparagraph (b) of this
24 Paragraph, an assessor shall have the authority to grant up to three additional one-
25 year extensions of the special assessment level on a case-by-case basis. A
26 homeowner shall only be eligible for an additional extension if the owner has made
27 a good faith attempt to secure a contractor or builder to complete the needed repairs
28 or reconstruction of the home but is unable to complete the project due to
29 uncontrollable contractor or builder delays. In order to qualify for this extension, the

1 homeowner shall provide to the assessor documentation evidencing good faith in
2 attempting to secure a contractor or builder to complete the project.

3 §1719. Adjustment of Ad Valorem Tax Millages

4 A. Adjustments. Except as otherwise permitted in this Section, the total
5 amount of ad valorem taxes collected by any taxing authority in the year in which
6 the reappraisal and valuation provisions of Article VII, Section 31(F) of the
7 Constitution of Louisiana are implemented shall not be increased or decreased
8 because of a reappraisal or valuation or increases or decreases in the homestead
9 exemption above or below the total amount of ad valorem taxes collected by that
10 taxing authority in the year preceding implementation of the reappraisal and
11 valuation. To accomplish this result, the provisions of millage adjustments pursuant
12 to Article VII, Sections 31 and 33 of the Constitution of Louisiana and R.S. 47:1718
13 shall be mandatory. Thereafter, following implementation of each subsequent
14 reappraisal and valuation required by Article VII, Section 31 of the Constitution of
15 Louisiana, the millages as fixed in each such implementation shall remain in effect
16 unless changed as permitted by Subsection B of this Section.

17 B. Increases Permitted. Nothing herein shall prohibit a taxing authority from
18 collecting, in any subsequent year, a larger dollar amount of ad valorem taxes by
19 levying additional or increased millages as provided by law or placing additional
20 property on the tax rolls. Increases in the millage rate in excess of the rates
21 established as provided by Subsection A of this Section but not in excess of the prior
22 year's maximum authorized millage rate may be levied by two-thirds vote of the total
23 membership of a taxing authority without further voter approval but only after a
24 public hearing held in accordance with the open meetings law; however, in addition
25 to any other requirements of the open meetings law, public notice of the time, place,
26 and subject matter of such hearing shall be published on two separate days no less
27 than thirty days before the public hearing. The public notice shall be published in the
28 official journal of the taxing authority, and another newspaper with a larger

1 circulation within the taxing authority than the official journal of the taxing
2 authority, if there is one.

3 C. Implementation of the provisions of this Section shall neither trigger nor
4 be cause for a reappraisal of property or an adjustment of millages pursuant to
5 Subsection B of this Section.

6 D. Application. This Section shall not apply to millages required to be levied
7 for the payment of general obligation bonds.

8 Section 2. (A) The Louisiana State Law Institute is hereby authorized and directed
9 to renumber the Sections of Chapter 1 of Subtitle III of Title 47 of the Louisiana Revised
10 Statutes of 1950 as provided for in this Act as follows:

11 (1) Sections 1702, 1703, 1703.1, and 1704 shall be renumbered as 1701, 1703, 1705,
12 and 1706 respectively.

13 (2) Sections 1705, 1705.1, 1706, and 1707 shall be renumbered as 1707, 1709, 1710,
14 and 1711 respectively.

15 (3) Sections 1707.1, 1708, 1709, and 1710 shall be renumbered as 1712, 1713, 1714,
16 and 1715 respectively.

17 (4) Sections 1711, 1712, 1713, and 1714 shall be renumbered as 1716, 1717, 1718,
18 and 1719 respectively.

19 (5) Sections 1715, 1716, 1717, 1718, and 1719 shall be renumbered as 1720, 1721,
20 1702, 1704, and 1708 respectively.

21 (B) The Louisiana State Law Institute is hereby authorized and directed to correct
22 statutory references within Chapter 1 of Subtitle III of Title 47 of the Louisiana Revised
23 Statutes of 1950 including such references in statutory provisions reenacted by this Act.

24 Section 3. This Act shall take effect and become operative if and when the proposed
25 amendment of Article VII of the Constitution of Louisiana contained in the Act that
26 originated as House Bill No. 7 of this Third Extraordinary Session of the Legislature is
27 adopted at a statewide election and becomes effective.

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 11 Engrossed

2024 Third Extraordinary Session

Deshotel

Abstract: Codifies provisions of present constitution regarding the homestead exemption, special assessment level, millage adjustments, and other property tax exemptions in statute and authorizes an optional property tax exemption for business inventory.

Redesignations of law

Present law and present constitution provide for the levy of ad valorem property tax and for the classification and annual assessment of property for purposes of calculating ad valorem taxes in Article VII, Sections 18 through 23 of the Constitution of La. and Chapter 1 of Subtitle 3 of Title 47 (Sections 1702-1716).

Proposed law redesignates all sections of present law (Sections 1702-1716). Retains all provisions of present law, except for removing references to articles in the constitution and changing cross references to statutes within Chapter 1.

Proposed law adds new sections of law (1701 and 1717-1721).

Proposed law authorizes and directs the law institute to renumber the sections of Chapter 1 as listed.

Homestead Exemption

Present constitution authorizes the levy of ad valorem taxes on property within La. Present constitution establishes an exemption from state, parish, and special ad valorem property taxes for the bona fide homestead of the property owner, for the first \$7,500 of assessed valuation. Present law provides for administration and implementation of the homestead exemption as well as other property tax exemptions by assessors in each parish.

Proposed law retains provisions relative to the homestead exemption provided for in present constitution but moves these provisions to statutory law and re-designates these provisions in R.S. 47:1718. Proposed law further retains provisions in present law relative to the timing of the status of real and personal property in Orleans parish for purposes of claiming the homestead exemption for the following calendar year as well as general provisions relative to penalties for property owners who provide false statements and information for purposes of claiming the homestead exemption or other property tax exemptions.

Other Property Tax Exemptions

Present constitution provides for the classification and assessment of property subject to ad valorem taxation. Further provides an exclusive list of types of property that, in addition to property to which the homestead exemption provided for in present constitution applies, shall be exempt from ad valorem taxation.

Proposed law moves the provisions of Art. 7 Sec. 21 from the present constitution to statute (R.S. 47:1703).

Proposed law adds an optional ad valorem tax exemption on items constituting business inventory, including goods which are held for sale and goods in production or for ultimate

consumption in the production of goods or services for sale. Proposed law defines "business inventory" for purposes of proposed law.

Proposed law limits the optional exemption to parishes in which the sheriff, school board, and the parish governing authority elect to exempt business inventory from ad valorem taxation. Requires the exemption election to be evidenced in writing and to indicate if the parish will implement the full exemption immediately or over a period not to exceed five years. The election shall be made no later than July 1, 2026, and shall be applicable to taxable periods beginning Jan. 1, 2026. Proposed law requires that the parish's election to exempt business inventory be irrevocable.

Proposed law provides that any parish that elects to exempt 100% of business inventory from ad valorem tax to immediately receive a payment from the state equal to the greater of three times the amount of ad valorem taxes collected on business inventory within the parish for the 2023 tax year or \$1M dollars. Any parish that elects to phase-in the exemption over a period not to exceed five years shall receive a payment equal to the greater of the amount of ad valorem taxes collected on business inventory within the parish for the 2023 tax year or \$500,000. Proposed law limits the maximum amount a parish may receive from the state for immediately implementing an exemption for business inventory to \$15M and limits the maximum amount a parish may receive for phasing-in an exemption for business inventory to \$10M.

Proposed law provides that calculation of the payments to parishes electing to exempt items constituting business inventory shall be as follows:

PARISH	PAYMENT AMOUNT IF PROPERTY EXEMPTION IS IMMEDIATE	PAYMENT AMOUNT IF PROPERTY EXEMPTION IS PHASED-IN
Acadia	\$8,064,687	\$2,688,229
Allen	\$4,649,178	\$1,549,726
Ascension	\$15,000,000	\$10,000,000
Assumption	\$12,643,215	\$4,214,405
Avoyelles	\$3,311,623	\$1,103,874
Beauregard	\$10,698,616	\$3,566,205
Bienville	\$15,000,000	\$9,803,655
Bossier	\$15,000,000	\$10,000,000
Caddo	\$15,000,000	\$10,000,000
Calcasieu	\$15,000,000	\$10,000,000
Caldwell	\$1,000,000	\$500,000
Cameron	\$11,841,732	\$3,947,244
Catahoula	\$1,000,000	\$500,000
Claiborne	\$1,000,000	\$500,000
Concordia	\$2,591,401	\$863,800
Desoto	\$4,506,854	\$1,502,285
East Baton Rouge	\$15,000,000	\$10,000,000
East Carroll	\$2,942,280	\$980,760
East Feliciana	\$2,361,471	\$787,157
Evangeline	\$9,014,235	\$3,004,745
Franklin	\$4,100,553	\$1,366,851
Grant	\$2,996,249	\$998,750
Iberia	\$15,000,000	\$5,485,411

Iberville	\$15,000,000	\$10,000,000
Jackson	\$2,334,131	\$778,044
Jeff Davis	\$5,318,676	\$1,772,892
Jefferson	\$15,000,000	\$10,000,000
Lafayette	\$15,000,000	\$10,000,000
Lafourche	\$15,000,000	\$6,119,490
LaSalle	\$3,686,862	\$1,228,954
Lincoln	\$8,279,452	\$2,759,817
Livingston	\$13,489,157	\$4,496,386
Madison	\$3,868,362	\$1,289,454
Morehouse	\$4,726,058	\$1,575,353
Natchitoches	\$6,077,027	\$2,025,676
Orleans	\$15,000,000	\$10,000,000
Ouachita	\$15,000,000	\$10,000,000
Plaquemines	\$15,000,000	\$8,442,726
Pointe Coupee	\$3,399,273	\$1,133,091
Rapides	\$15,000,000	\$10,000,000
Red River	\$1,421,703	\$500,000
Richland	\$5,095,444	\$1,698,481
Sabine	\$2,046,275	\$682,158
St. Bernard	\$15,000,000	\$10,000,000
St. Charles	\$15,000,000	\$10,000,000
St. Helena	\$1,000,000	\$500,000
St. James	\$15,000,000	\$10,000,000
St. John	\$15,000,000	\$10,000,000
St. Landry	\$15,000,000	\$8,013,535
St. Martin	\$15,000,000	\$6,128,714
St. Mary	\$15,000,000	\$7,325,494
St. Tammany	\$15,000,000	\$10,000,000
Tangipahoa	\$15,000,000	\$7,294,402
Tensas	\$1,000,000	\$500,000
Terrebonne	\$15,000,000	\$8,835,679
Union	\$1,428,985	\$500,000
Vermilion	\$4,236,873	\$1,412,291
Vernon	\$3,585,481	\$1,195,160
Washington	\$4,904,267	\$1,634,756
Webster	\$9,632,542	\$3,210,847
West Baton Rouge	\$15,000,000	\$10,000,000
West Carroll	\$1,277,144	\$500,000
West Feliciana	\$1,800,699	\$600,233
Winn	\$1,964,567	\$654,856

Proposed law requires the tax collector of each parish electing to exempt items constituting business inventory to distribute the monies received from the treasurer on a pro rata basis to each taxing authority that levies an ad valorem tax within the parish. Further requires the treasurer to disburse monies to the collector within 30 days of receiving certification from the Dept. of Revenue that the parish has elected to irrevocably exempt business inventory from ad valorem tax.

Special Assessment Level

Present constitution grants a special assessment level to certain owners of residential property receiving the homestead exemption. The special assessment level prohibits the total assessment of the property from being increased above the total assessment of the property for the first year that the eligible owner qualifies for and receives the special assessment level. Eligible owners include people who are 65 years of age or older, people who have a service-connected disability rating of 50% or more, members of the armed forces of the U.S. or the La. National Guard who owned and occupied the property who are killed in action, missing in action or are a prisoner of war for a period exceeding 90 days, and people who are permanently totally disabled as determined by a final non-appealable judgment of certain courts or state or federal administrative agencies charged with the responsibility for making determinations regarding disability.

Present constitution limits a person from receiving the special assessment if the person's adjusted gross income exceeds \$100,000. Beginning in 2026, the \$100,000 limit is adjusted annually by the Consumer Price Index.

Proposed law retains all provisions of present constitution but moves Art. 7 Sec. 18(G) from the constitution to statute (R.S. 47:1717).

Adjustment of Ad Valorem Millages

Present constitution prohibits the total amount of ad valorem taxes collected by any taxing authority in the year in which the mandatory reappraisal and valuation of property occurs to be increased or decreased because of a reappraisal or valuation or increases or decreases in the homestead exemption above or below the total amount of ad valorem taxes collected by that taxing authority in the year preceding implementation of the reappraisal and valuation. To accomplish this result, the provisions of millage adjustments in present constitution are mandatory.

Proposed law retains all provisions of present constitution but moves Art. 7 Sec. 23 from the constitution to statute (R.S. 47:1719).

Effective if and when the proposed amendment of Art. 7 of the constitution contained in the Act which originated as House Bill No. 7 of this 2024 3rd E.S. of the Legislature is adopted at a statewide election and becomes effective.

(Amends R.S. 47:1703, 1703.1(A), 1705(B)(1)(a) and (b)(i), (2)(a), (b), (c)(i)(intro. para.) and (ii), (d), and (D), 1707-1708, 1710, 1712, 1713(B), 1714(intro. para.), (1), and (6), 1715(intro. para.), (1), and (6), and 1716; Adds R.S. 47:1702(12)-(15) and 1717-1719)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the original bill:

1. Require the tax collector in a parish electing to exempt business inventory from ad valorem tax to distribute the monies received from the state on a pro rata basis to each taxing authority that levies an ad valorem tax within the parish.

2. Require the treasurer to disburse monies to the parish collector within 30 days of receiving certification from the Dept. of Revenue that the parish has elected to irrevocably exempt business inventory from ad valorem tax.
3. Limit the maximum amount a parish may receive from the state for immediately implementing an exemption for business inventory to \$15M and limit the maximum amount a parish may receive for phasing-in an exemption for business inventory to \$10M.
4. Make technical changes.