

ACT No. 12

2024 Third Extraordinary Session

HOUSE BILL NO. 11

BY REPRESENTATIVE DESHOTEL

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 1720, 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 a 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 the reduction of the fair market
12 value percentage of certain property under certain circumstances; to provide for
13 requirements and limitations; to provide for ad valorem tax assessors; to authorize
14 and direct the Louisiana State Law Institute to re-designate certain provisions; to
15 provide for effectiveness; and to provide for related matters.

16 Be it enacted by the Legislature of Louisiana:

17 Section 1. R.S. 47:1703, 1703.1(A), 1705(B)(1)(a) and (b)(i), (2)(a), (b),
18 (c)(i)(introductory paragraph) and (ii), (d), and (D), 1707 through 1708, 1710, 1712,
19 1713(B), 1714(introductory paragraph), (1), and (6), 1715(introductory paragraph), (1), and
20 (6), and 1716 are hereby amended and reenacted and R.S. 47:1702(12) through (15) and
21 1717 through 1720 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)(a) "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 (b) "Business inventory" shall include the following:

12 (i) Goods or commodities awaiting sale including but 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 Item, the term "short-term rental" means
 22 a rental of an item of tangible personal property for a period of less than three
 23 hundred sixty-five days, for an undefined period, or under an open-ended agreement.

24 (c) "Business inventory" shall not include the following:

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

27 (ii) Items that would otherwise be considered inventory at any time following
 28 the initial lease by the taxpayer of such items. The provisions of this Item shall not
 29 include the rental of tangible personal property as provided for in Item (b)(iv) of this
 30 Paragraph.

1 (iii) Items that would otherwise be considered inventory any time after the
 2 taxpayer has commenced depreciating the item on the taxpayer's federal tax return.
 3 The provisions of this Item shall not include the rental of tangible personal property
 4 as provided for in Item (b)(iv) of this Paragraph.

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

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

11 (14) "Manufacturer" means one of the following:

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

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

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

27 §1703. Exemptions

28 A. Generally. ~~(1) Effective January 1, 1978, and thereafter, there~~ The
 29 following property shall be exempt from state, parish, and special ad valorem taxes:
 30 ~~all property which is declared to be exempt from taxation by Sections 20 and 21 of~~

1 Article VII of the Constitution and pursuant to the authority contained in Section 17
2 of Article VI of the Constitution, and no other. However, the exemption for a bona
3 fide homestead, as defined in Subparagraph (1) of Paragraph A of Section 20 of
4 Article VII of the Constitution, for the years 1978 through 1981 only, and in the
5 parish of Orleans through 1982 only, shall be five thousand dollars of assessed
6 valuation. Effective on the first day in January in each parish, in the year in which
7 the appraisal and valuation provisions of Paragraph (F) of Section 18 of Article VII
8 of the Constitution of Louisiana are implemented and thereafter, the exemption, for
9 a bona fide homestead exemption as defined in Section 20 of Article VII of the
10 Constitution, shall be seven thousand, five hundred dollars of the assessed valuation.

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

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

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

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

7 ~~Upon conviction for a violation of any of the provisions of this Subsection~~
 8 ~~the offender shall be punishable by a fine of not less than one hundred dollars, nor~~
 9 ~~more than five hundred dollars, or by imprisonment of not less than one month, nor~~
 10 ~~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 shall~~
 16 ~~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 such damage or destruction shall be entitled to claim the exemption by~~
 21 ~~filing 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 homesteads qualifying for the homestead exemption under 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~~
 30 ~~situated. A homeowner shall be eligible for this extension only if the homeowner's~~

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

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

19 ~~(2)(a) Any owner entitled to the special assessment level set forth in Article~~
20 ~~VII, Section 18(G) of the Constitution of Louisiana who is unable to occupy the~~
21 ~~homestead on or before December thirty-first of a future calendar year due to~~
22 ~~damage or destruction of the homestead caused by a disaster or emergency declared~~
23 ~~by the governor shall be entitled to keep the special assessment level of the~~
24 ~~homestead prior to its damage or destruction on the repaired or rebuilt homestead~~
25 ~~provided the repaired or rebuilt homestead is occupied by the owner within five~~
26 ~~years from December thirty-first of the year following the disaster. The assessed~~
27 ~~value of the land and buildings on which the homestead was located prior to its~~
28 ~~damage shall not be increased above its assessed value immediately prior to the~~
29 ~~damage or destruction described in this Paragraph. If the property owner receives a~~
30 ~~homestead exemption on another homestead during the same five-year period, the~~

1 ~~damaged or destroyed property shall not be entitled to keep the special assessment~~
2 ~~level, and the land and buildings shall be assessed in that year at the percentage of~~
3 ~~fair market value set forth in the constitution. In addition, the owner must also~~
4 ~~maintain the homestead exemption set forth in Article VII, Section 20(A)(10) of the~~
5 ~~Constitution of Louisiana to qualify for the special assessment level set forth in~~
6 ~~Article VII, Section 18(G)(5) of the Constitution of Louisiana:~~

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

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

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

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

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

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

16 (bb) It is located in a municipality with a population of less than ten
17 thousand that has been classified as an area with a shortage of health workforce by
18 the United States Department of Health and Human Services, or its successor.

19 (b) Property leased to a nonprofit corporation or association for use solely as
20 housing for homeless persons, as defined by regulation adopted by the Louisiana Tax
21 Commission or its successor provided that the term of the lease shall be for at least
22 five years, that as a condition of entering into the lease the property be in compliance
23 with all applicable health and sanitation codes for use as housing for homeless
24 persons, that the lease shall provide that compensation to be paid to the lessor shall
25 not exceed one dollar per year, and that such contract of lease shall recite that the
26 property shall be used exclusively for the purpose of housing the homeless, and
27 further provided that at such time as the property is no longer used solely as housing
28 for homeless persons, the property shall no longer be exempt from taxation.

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

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

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

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

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

16 (bb) The owner of the property habitually neglects maintenance of the
 17 property as evidenced by three or more sustained code enforcement violations issued
 18 for the property in the prior twelve months for matters that endanger the health or
 19 safety of residents of the property or of persons in the area surrounding the property.
 20 For purposes of this Subitem, matters deemed to endanger health or safety include
 21 structural instability due to deterioration; injurious or toxic ventilation; contaminated
 22 or inoperable water supply; holes, breaks, rotting materials, or mold in walls; roof
 23 defects that admit rain; unsecured overhang extensions in danger of collapse; a
 24 hazardous electrical system; improper connection of fuel-burning appliances or
 25 equipment; an inactive or inoperable fire detection system; an unsecured or
 26 contaminated swimming pool; or any combination of these.

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

- 1 (3) Cash on hand or deposit.
- 2 (4) Stocks and bonds, except bank stocks, the tax on which shall be paid by
3 the banking institution.
- 4 (5) Obligations secured by mortgage on property located in Louisiana and
5 the notes or other evidence thereof.
- 6 (6) Loans by life insurance companies to policyholders, if secured solely by
7 their policies.
- 8 (7) The legal reserve of domestic life insurance companies.
- 9 (8) Loans by a homestead or building and loan association to its members,
10 if secured solely by stock of the association.
- 11 (9) Debts due for merchandise or other articles of commerce or for services
12 rendered.
- 13 (10) Obligations of the state or its political subdivisions.
- 14 (11) Personal property used in the home or on loan in a public place.
- 15 (12) Irrevocably dedicated places of burial held by individuals for purposes
16 of burial of themselves or members of their families.
- 17 (13) Agricultural products while owned by the producer, agricultural
18 machinery, and other implements used exclusively for agricultural purposes, animals
19 on the farm, and property belonging to an agricultural fair association.
- 20 (14) Property used for cultural, Mardi Gras carnival, or civic activities and
21 not operated for profit to the owners.
- 22 (15) Rights-of-way granted to the Department of Transportation and
23 Development.
- 24 (16) Boats using gasoline as motor fuel.
- 25 (17) Commercial vessels used for gathering seafood for human consumption.
- 26 (18) Ships and oceangoing tugs, towboats, and barges engaged in
27 international trade and domiciled in Louisiana ports. However, this exemption shall
28 not apply to harbor, wharf, shed, and other port dues or to any vessel operated in the
29 coastal trade of the states of the United States.

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

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

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

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

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

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

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

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

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

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

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

12 (24)(a) Notwithstanding any contrary provision of this Section, the State
13 Board of Commerce and Industry or its successor, with the approval of the governor,
14 may enter into contracts for the exemption from ad valorem taxes of a new
15 manufacturing establishment or an addition to an existing manufacturing
16 establishment, on terms and conditions the board, with the approval of the governor,
17 deems in the best interest of the state.

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

23 (c) The terms "manufacturing establishment" and "addition" as used in this
24 Paragraph means a new plant or establishment or an addition or additions to any
25 existing plant or establishment which engages in the business of working raw
26 materials into wares suitable for use or which gives new shapes, qualities, or
27 combinations to matter which already has gone through some artificial process.

28 (25) Coal or lignite stockpiled in Louisiana for use in Louisiana for industrial
29 or manufacturing purposes or for boiler fuel, gasification, feedstock, or process
30 purposes.

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

12 (27)(a) Notwithstanding any contrary provision of this Section, the authority
13 or district charged with economic development of each parish may enter into
14 contracts for the exemption from parish, municipal, and special ad valorem taxes of
15 goods held in inventory by distribution centers. In the absence of the existence of an
16 economic development authority or district, the parish governing authority may grant
17 contracts of exemption as are provided for in this Paragraph.

18 (b) The contract for exemption shall be on the terms and to the extent, up to
19 and including the full assessed valuation of the goods held in inventory, as the
20 economic development authority or district deems in the best interest of the parish.
21 However, prior to entering into each individual contract, the economic development
22 authority or district must request and receive written approval of the contract,
23 including its terms and an estimated fiscal impact, from each affected tax recipient
24 body in the parish, as evidenced by a favorable vote of a majority of the members of
25 the governing authority of the tax recipient body. Failure to receive all required
26 approvals from the tax recipient bodies before entering into a contract shall render
27 the contract absolutely null and void.

28 (c) The term "distribution center" as used in this Paragraph means an
29 establishment engaged in the sale of products for resale or further processing for
30 resale. The term "goods held in inventory" as used in this Paragraph means goods or

1 products which have been given new shapes, qualities, or combinations through
2 some artificial process and does not include raw materials such as natural gas, crude
3 oil, sulphur, or timber or goods or products held for sale to consumers.

4 (28)(a) Drilling rigs used exclusively for the exploration and development
5 of minerals outside the territorial limits of the state in Outer Continental Shelf waters
6 which are within the state for the purpose of being stored or stacked for use outside
7 the territorial limits of the state, or for the purpose of being converted, renovated, or
8 repaired, and any property in the state for the purpose of being incorporated in, or to
9 be used in the operation of the drilling rigs.

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

13 (29)(a)(i) In addition to the homestead exemption, provided pursuant to
14 Article VII, Section 34 of the Constitution of Louisiana, which applies to the first
15 seven thousand five hundred dollars of the assessed valuation of property, the next
16 two thousand five hundred dollars of the assessed valuation of property receiving the
17 homestead exemption that is owned and occupied by a veteran with a
18 service-connected disability rating of fifty percent or more but less than seventy
19 percent by the United States Department of Veterans Affairs shall be exempt from
20 ad valorem taxation. The surviving spouse of a deceased veteran with a
21 service-connected disability rating of fifty percent or more but less than seventy
22 percent by the United States Department of Veterans Affairs shall be eligible for this
23 exemption if the surviving spouse occupies and remains the owner of the property,
24 whether or not the exemption was in effect on the property prior to the death of the
25 veteran. If property eligible for the exemption provided for in this Item has an
26 assessed value in excess of ten thousand dollars, ad valorem property taxes shall
27 apply to the assessment in excess of ten thousand dollars.

28 (ii) In addition to the homestead exemption, provided pursuant to Article
29 VII, Section 34 of the Constitution of Louisiana, which applies to the first seven
30 thousand five hundred dollars of the assessed valuation of property, the next four

1 thousand five hundred dollars of the assessed valuation of property owned and
2 occupied by a veteran with a service-connected disability rating of seventy percent
3 or more but less than one hundred percent by the United States Department of
4 Veterans Affairs shall be exempt from ad valorem taxation. The surviving spouse of
5 a deceased veteran with a service-connected disability rating of seventy percent or
6 more but less than one hundred percent by the United States Department of Veterans
7 Affairs shall be eligible for this exemption if the surviving spouse occupies and
8 remains the owner of the property, whether or not the exemption was in effect on the
9 property prior to the death of the veteran. If property eligible for the exemption
10 provided for in this Item has an assessed value in excess of twelve thousand dollars,
11 ad valorem property taxes shall apply to the assessment in excess of twelve thousand
12 dollars.

13 (iii) In addition to the homestead exemption, provided pursuant to Article
14 VII, Section 34 of the Constitution of Louisiana, which applies to the first seven
15 thousand five hundred dollars of the assessed valuation of property, the remaining
16 assessed valuation of property receiving the homestead exemption that is owned and
17 occupied by a veteran with a service-connected disability rating of one hundred
18 percent unemployability or totally disabled by the United States Department of
19 Veterans Affairs shall be exempt from ad valorem taxation. The surviving spouse of
20 a deceased veteran with a service-connected disability rating of one hundred percent
21 unemployability or totally disabled by the United States Department of Veterans
22 Affairs shall be eligible for this exemption if the surviving spouse occupies and
23 remains the owner of the property, whether or not the exemption was in effect on the
24 property prior to the death of the veteran.

25 (b) Notwithstanding any provision of the law to the contrary, the property
26 assessment of a property for which an exemption established pursuant to this
27 Paragraph has been claimed, to the extent of the applicable exemption, shall not be
28 treated as taxable property for purposes of any subsequent reappraisals and valuation
29 for millage adjustment purposes. The decrease in the total amount of ad valorem tax
30 collected by a taxing authority as a result of the exemption shall be absorbed by the

1 taxing authority and shall not create any additional tax liability for other taxpayers
2 in the taxing district as a result of any subsequent reappraisal and valuation or
3 millage adjustment. Implementation of the exemption authorized in this Paragraph
4 shall neither trigger nor be cause for a reappraisal of property or an adjustment of
5 millages.

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

7 (30)(a) Except as otherwise provided herein, property owned or leased by,
8 and used by, a targeted nonmanufacturing business in the operation of its facility,
9 including buildings, improvements, equipment, and other property necessary or
10 beneficial to such operation, according to a program and pursuant to contracts of
11 exemption which contain such terms and conditions. Land underlying the facility and
12 other property pertaining to the facility on which ad valorem taxes have previously
13 been paid, inventories, consumables, and property eligible for the manufacturing
14 exemption provided by Paragraph (24) of this Subsection, shall not be exempt
15 pursuant to this Paragraph.

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

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

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

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

1 (b)(i) The exemption shall apply beginning in the tax year in which any of
 2 the following persons died:

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

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

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

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

13 (ee) A volunteer firefighter, verified by the office of the state fire marshal
 14 to have died while performing firefighting duties.

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

18 (bb) The surviving spouse has not remarried.

19 (cc) The surviving spouse annually provides evidence of their eligibility for
 20 the exemption in accordance with the requirements of Subparagraph (c) of this
 21 Paragraph.

22 (c) Each assessor shall establish a procedure whereby a person may annually
 23 apply for the exemption. Eligibility for the exemption shall be established by the
 24 production of documents and certification of information by the surviving spouse to
 25 the assessor as follows:

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

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

4 (d) Once an unmarried surviving spouse has qualified for and taken the
5 exemption, if the surviving spouse then acquires a different property which qualifies
6 for the homestead exemption, the surviving spouse shall be entitled to an exemption
7 on that subsequent homestead, the exemption being limited in value to the amount
8 of the exemption claimed on the prior homestead in the last year for which the
9 exemption was claimed. The assessor may require the submission of certain
10 information concerning the amount of the exemption on the prior homestead for
11 purposes of determining the extent of the exemption available for the subsequent
12 homestead.

13 (e) A trust shall be eligible for the exemption provided for in this Paragraph.

14 (32)(a) All property delivered to a construction project site for the purpose
15 of incorporating the property into any tract of land, building, or other construction
16 as a component part, including the type of property that may be deemed to be a
17 component part once placed on an immovable for its service and improvement
18 pursuant to the provisions of the Louisiana Civil Code of 1870. The exemption
19 provided for in this Paragraph shall be applicable until the construction project for
20 which the property has been delivered is complete. A construction project shall be
21 deemed complete when construction is finished to the extent that the project can be
22 used or occupied for its intended purpose. A construction project shall not be deemed
23 complete during its inspection, testing, or commissioning stages, as defined by
24 reasonable industry standards.

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

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

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

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

6 (33)(a) In addition to the homestead exemption provided pursuant to Article
 7 VII, Section 34 of the Constitution of Louisiana, which applies to the first seven
 8 thousand five hundred dollars of the assessed valuation of property, a parish
 9 governing authority may approve an ad valorem tax exemption of up to two thousand
 10 five hundred dollars of the assessed valuation of property receiving the homestead
 11 exemption that is owned and occupied by a qualified first responder.

12 (b) For the purposes of this Paragraph, "first responder" means a volunteer
 13 firefighter who has completed within the tax year no fewer than twenty-four hours
 14 of firefighter continuing education and is an active member of the Louisiana State
 15 Firemen's Association or is on the departmental personnel roster of the Volunteer
 16 Firefighter Insurance Program of the office of state fire marshal. For the purposes of
 17 this Paragraph, "first responder" means a full-time public employee whose duties
 18 include responding rapidly to an emergency and who resides in the same parish in
 19 which their employer is located. The term includes the following:

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

22 (ii) Fire protection personnel.

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

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

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

29 (d) Each tax assessor shall establish a procedure whereby a person may
 30 annually apply for the exemption which shall include the production of documents

1 by the first responder. In the application for the exemption, the first responder shall
2 produce documentation issued by his employer evidencing employment for the
3 taxable period for which the exemption is being requested.

4 (e) Notwithstanding any provision of the law to the contrary, any decrease
5 in the total amount of ad valorem tax collected by the taxing authority as a result of
6 an ad valorem tax exemption granted pursuant to this Paragraph shall be absorbed
7 by the taxing authority and shall not create any additional tax liability for other
8 taxpayers in the taxing district as a result of any subsequent reappraisal and valuation
9 or millage adjustment. Implementation of the exemption authorized in this Paragraph
10 shall neither trigger nor be cause for a reappraisal of property or an adjustment of
11 millages.

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

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

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

24 (4)(a) A parish electing to exempt items constituting business inventory shall
25 receive a payment in accordance with Article VII, Section 37 of the Constitution of
26 Louisiana and R.S. 39:100.112. The tax collector of each parish electing to exempt
27 items constituting business inventory shall distribute the monies received from the
28 treasurer on a pro rata basis to each taxing authority that levies an ad valorem tax
29 within the parish. The treasurer shall disburse monies to the collector within thirty
30 days of receipt of a certification from the secretary of the Department of Revenue

1 that the parish has irrevocably elected to exempt business inventory from ad valorem
 2 tax.

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

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

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

<u>Parish</u>	<u>Payment amount if</u> <u>property is immediately</u> <u>exempt from ad valorem</u> <u>tax</u>	<u>Payment amount if</u> <u>property is exempt from ad</u> <u>valorem tax through a</u> <u>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>

1	<u>CALCASIEU</u>	<u>\$15,000,000</u>	<u>\$10,000,000</u>
2	<u>CALDWELL</u>	<u>\$1,000,000</u>	<u>\$500,000</u>
3	<u>CAMERON</u>	<u>\$11,841,732</u>	<u>\$3,947,244</u>
4	<u>CATAHOULA</u>	<u>\$1,000,000</u>	<u>\$500,000</u>
5	<u>CLAIBORNE</u>	<u>\$1,000,000</u>	<u>\$500,000</u>
6	<u>CONCORDIA</u>	<u>\$2,591,401</u>	<u>\$863,800</u>
7	<u>DESOTO</u>	<u>\$4,506,854</u>	<u>\$1,502,285</u>
8	<u>EAST BATON ROUGE</u>	<u>\$15,000,000</u>	<u>\$10,000,000</u>
9	<u>EAST CARROLL</u>	<u>\$2,942,280</u>	<u>\$980,760</u>
10	<u>EAST FELICIANA</u>	<u>\$2,361,471</u>	<u>\$787,157</u>
11	<u>EVANGELINE</u>	<u>\$9,014,235</u>	<u>\$3,004,745</u>
12	<u>FRANKLIN</u>	<u>\$4,100,553</u>	<u>\$1,366,851</u>
13	<u>GRANT</u>	<u>\$2,996,249</u>	<u>\$998,750</u>
14	<u>IBERIA</u>	<u>\$15,000,000</u>	<u>\$5,485,411</u>
15	<u>IBERVILLE</u>	<u>\$15,000,000</u>	<u>\$10,000,000</u>
16	<u>JACKSON</u>	<u>\$2,334,131</u>	<u>\$778,044</u>
17	<u>JEFFERSON</u>	<u>\$15,000,000</u>	<u>\$10,000,000</u>
18	<u>JEFFERSON DAVIS</u>	<u>\$5,318,676</u>	<u>\$1,772,892</u>
19	<u>LAFAYETTE</u>	<u>\$15,000,000</u>	<u>\$10,000,000</u>
20	<u>LAFOURCHE</u>	<u>\$15,000,000</u>	<u>\$6,119,490</u>
21	<u>LASALLE</u>	<u>\$3,686,862</u>	<u>\$1,228,954</u>
22	<u>LINCOLN</u>	<u>\$8,279,452</u>	<u>\$2,759,817</u>
23	<u>LIVINGSTON</u>	<u>\$13,489,157</u>	<u>\$4,496,386</u>
24	<u>MADISON</u>	<u>\$3,868,362</u>	<u>\$1,289,454</u>
25	<u>MOREHOUSE</u>	<u>\$4,726,058</u>	<u>\$1,575,353</u>
26	<u>NATCHITOCHE</u>	<u>\$6,077,027</u>	<u>\$2,025,676</u>
27	<u>ORLEANS</u>	<u>\$15,000,000</u>	<u>\$10,000,000</u>
28	<u>OUACHITA</u>	<u>\$15,000,000</u>	<u>\$10,000,000</u>
29	<u>PLAQUEMINES</u>	<u>\$15,000,000</u>	<u>\$8,442,726</u>
30	<u>POINTE COUPEE</u>	<u>\$3,399,273</u>	<u>\$1,133,091</u>
31	<u>RAPIDES</u>	<u>\$15,000,000</u>	<u>\$10,000,000</u>
32	<u>RED RIVER</u>	<u>\$1,421,703</u>	<u>\$500,000</u>
33	<u>RICHLAND</u>	<u>\$5,095,444</u>	<u>\$1,698,481</u>
34	<u>SABINE</u>	<u>\$2,046,475</u>	<u>\$682,158</u>
35	<u>ST BERNARD</u>	<u>\$15,000,000</u>	<u>\$10,000,000</u>
36	<u>ST CHARLES</u>	<u>\$15,000,000</u>	<u>\$10,000,000</u>

1	<u>ST HELENA</u>	<u>\$1,000,000</u>	<u>\$500,000</u>
2	<u>ST JAMES</u>	<u>\$15,000,000</u>	<u>\$10,000,000</u>
3	<u>ST JOHN THE BAPTIST</u>	<u>\$15,000,000</u>	<u>\$10,000,000</u>
4	<u>ST LANDRY</u>	<u>\$15,000,000</u>	<u>\$8,013,535</u>
5	<u>ST MARTIN</u>	<u>\$15,000,000</u>	<u>\$6,128,714</u>
6	<u>ST MARY</u>	<u>\$15,000,000</u>	<u>\$7,325,494</u>
7	<u>ST TAMMANY</u>	<u>\$15,000,000</u>	<u>\$10,000,000</u>
8	<u>TANGIPAHOA</u>	<u>\$15,000,000</u>	<u>\$7,294,402</u>
9	<u>TENSAS</u>	<u>\$1,000,000</u>	<u>\$500,000</u>
10	<u>TERREBONNE</u>	<u>\$15,000,000</u>	<u>\$8,835,679</u>
11	<u>UNION</u>	<u>\$1,428,985</u>	<u>\$500,000</u>
12	<u>VERMILION</u>	<u>\$4,236,873</u>	<u>\$1,412,291</u>
13	<u>VERNON</u>	<u>\$3,585,481</u>	<u>\$1,195,160</u>
14	<u>WASHINGTON</u>	<u>\$4,904,267</u>	<u>\$1,634,756</u>
15	<u>WEBSTER</u>	<u>\$9,632,542</u>	<u>\$3,210,847</u>
16	<u>WEST BATON ROUGE</u>	<u>\$15,000,000</u>	<u>\$10,000,000</u>
17	<u>WEST CARROLL</u>	<u>\$1,277,144</u>	<u>\$500,000</u>
18	<u>WEST FELICIANA</u>	<u>\$1,800,699</u>	<u>\$600,233</u>
19	<u>WINN</u>	<u>\$1,964,567</u>	<u>\$654,856</u>

(5) A parish may elect to exempt ad valorem tax on items constituting business inventory at any time, in accordance with the provisions of this Subsection. However, any parish electing to exempt business inventory from ad valorem tax on or after July 2, 2026, shall not receive a payment in accordance with Article VII Section 37 of the Constitution of Louisiana and R.S. 39:100.112.

(6) Property for which the exemption authorized in this Subsection has been claimed shall not be treated as taxable property for purposes of any subsequent reappraisals and valuation for millage adjustment purposes pursuant to R.S. 47:1719. Any decrease in the total amount of ad valorem tax collected by a taxing authority as a result of the ad valorem exemption authorized in this Subsection shall be absorbed by the taxing authority and shall not create any additional tax liability for taxpayers in the taxing district as a result of any subsequent reappraisal and valuation or millage adjustment. Implementation of the exemption authorized in this

1 authority, if such taxing authority maintains an Internet website. The Internet
2 posting shall remain active until such time as the taxing authority has taken action
3 to approve or disapprove, or has abandoned action on, the proposed millage increase.

4 * * *

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

9 * * *

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

24 * * *

25 §1707. Exemptions, agricultural machinery and implements, farm structures, and
26 timber logging equipment; definition

27 For the purpose of applying the exemption from ad valorem taxation
28 provided in ~~Section 21 of Article VII of the Constitution of Louisiana~~ R.S.
29 47:1703(A)(13), the term "agricultural machinery and other implements used
30 exclusively for agricultural purposes" shall mean agricultural and horticultural

1 implements immediately and directly employed in cultivation, production, and
 2 harvest of crops or in the raising and management of livestock in use upon
 3 agricultural lands. The term also shall include machinery for soil preparation and
 4 cultivation, agricultural drills and planters, fertilizer spreaders, crop-dusting
 5 airplanes, harvesting and threshing machinery, hay or grass mowers except lawn
 6 mowers, farm wagons and carts, milking machines, farm structures, except a
 7 building used for a principal residence, on-farm equipment for the handling or drying
 8 of agricultural or horticultural products, and parts of any of the foregoing, all
 9 equipment utilized in the logging of timber whether used by the owner or lessor of
 10 the agricultural land or on a contractual service basis by someone other than the
 11 owner or lessor but shall exclude, except as otherwise provided herein, bulldozers,
 12 earth moving, and land-clearing equipment utilized in such agricultural activities on
 13 a contractual service basis by someone other than the owner or lessor of the
 14 agricultural lands involved.

15 §1707.1. Agricultural byproducts

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

21 §1708. Exemption for property leased to nonprofit organizations for the purpose of
 22 housing the homeless

23 For the purpose of applying the exemption from ad valorem taxation
 24 provided in ~~Article VII, Section (21)(B)(1)(b) of the Constitution of Louisiana~~ R.S.
 25 47:1703(A)(2)(b), "term of the lease" shall mean the total length of the lease,
 26 including renewals at the option of lessees, that the lessor obligates property to a
 27 nonprofit corporation or association for use solely as housing for the homeless.

28 * * *

1 §1710. Homestead exemption; residential lessees; tax credits

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

6 B. For purposes ~~herein~~ of the homestead exemption provided for in the
7 constitution, a residential lessee is defined as a person who owns and occupies a
8 residence, including mobile homes, but does not own the land upon which the
9 residence is situated.

10 C. ~~B.~~ A residential lessee shall be entitled to a credit against any ad valorem
11 tax imposed relative to the residence property, in an amount equal to the amount of
12 tax applicable on property with an assessed valuation of seven thousand five hundred
13 dollars or the actual amount of tax, whichever is less, provided the residential lessee
14 is not otherwise entitled to the homestead exemption.

15 * * *

16 §1712. Application procedure; special assessment level

17 Any person who qualifies for the special assessment level set forth in ~~Article~~
18 ~~VII, Section 18(G) of the Constitution of Louisiana~~ R.S. 47:1717 shall apply for the
19 special assessment by completing an application form certifying his qualifications
20 for the special assessment. ~~Such~~ The application may be submitted in person or by
21 first class mail. The application form shall be designed by the ~~tax commission~~
22 Louisiana Tax Commission and shall be provided to every assessor in this state. The
23 assessor shall not keep a copy of the applicant's federal or state income tax return or
24 picture identification of the applicant for his records.

25 §1713. Special assessment level for certain trusts

26 * * *

27 B.(1) If a trust would have been eligible for the special assessment level
28 pursuant to this Section prior to the most recent reappraisal, the total assessment of
29 the property held in trust shall be the assessed value on the last appraisal before the
30 reappraisal.

1 **(b) Any person or persons shall be prohibited from receiving the special**
2 **assessment as provided in this Section if the person's or persons' adjusted gross**
3 **income, as reported in the federal tax return for the year prior to the application for**
4 **the special assessment, exceeds one hundred thousand dollars. For persons applying**
5 **for the special assessment whose filing status is married filing separately, the**
6 **adjusted gross income for purposes of this Section shall be determined by combining**
7 **the adjusted gross income on both federal tax returns. The one hundred thousand**
8 **dollar limit shall be adjusted annually by the Consumer Price Index produced by the**
9 **United States Department of Labor, Bureau of Labor Statistics.**

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

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

24 **(2) Any millage rate applied to the special assessment level shall not be**
25 **subject to a limitation.**

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

28 **(1)(a) The owner who is sixty-five years of age or older, or that owner's**
29 **surviving spouse who is fifty-five years of age or older or who has minor children,**
30 **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 32 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**
30 **or rebuilt homestead provided the repaired or rebuilt homestead is reoccupied by the**

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

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

26 (3) After expiration of the extension authorized in Paragraph (2) of this
27 Subsection, an assessor shall have the authority to grant on a case-by-case basis up
28 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.

29 (2) Any assessor, deputy assessor, or other official, clerk or employee of the
30 state or any of its political subdivisions, who knowingly reports, lists, or claims any

1 property on which exemption from taxes pursuant to Article VII, Section 34 of the
2 Constitution of Louisiana and R.S. 47:1703 has been applied for, to be subject to a
3 higher millage for taxation purposes than is the true millage applicable thereto, shall
4 be guilty of a misdemeanor, punishable as provided in this Section.

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

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

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

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

23 (b) For a homestead qualifying for the homestead exemption pursuant to the
24 provisions of this Paragraph, after expiration of the five-year period, the owner of a
25 homestead shall be entitled to claim and keep the exemption for a period not to
26 exceed two additional years by filing an annual affidavit of intent to return and
27 reoccupy the homestead with the assessor within the parish where the homestead is
28 situated. A homeowner shall be eligible for this extension only if the homeowner's
29 damage claim to repair or rebuild the damaged or destroyed homestead is filed and
30 pending in a formal appeal process with any federal, state, or local government

1 agency or program offering grants or assistance for repairing or rebuilding damaged
2 or destroyed homes as a result of the disaster, or if a homeowner has a damage claim
3 filed and pending against the insurer of the property. The assessor shall require the
4 homeowner to provide official documentation from the government agency or
5 program evidencing the homeowner's participation in the formal appeal process or
6 official documentation evidencing the homeowner has a damage claim filed and
7 pending against the insurer of the property.

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

17 (2)(a) Any owner entitled to the special assessment level set forth in R.S.
18 47:1717 who is unable to occupy the homestead on or before December thirty-first
19 of a future calendar year due to damage or destruction of the homestead caused by
20 a disaster or emergency declared by the governor shall be entitled to keep the special
21 assessment level of the homestead prior to its damage or destruction on the repaired
22 or rebuilt homestead provided the repaired or rebuilt homestead is occupied by the
23 owner within five years from December thirty-first of the year following the disaster.
24 The assessed value of the land and buildings on which the homestead was located
25 prior to its damage shall not be increased above its assessed value immediately prior
26 to the damage or destruction described in this Paragraph. If the property owner
27 receives a homestead exemption on another homestead during the same five-year
28 period, the damaged or destroyed property shall not be entitled to keep the special
29 assessment level, and the land and buildings shall be assessed in that year at the
30 percentage of fair market value set forth in the constitution. In addition, the owner

1 must also maintain the homestead exemption set forth in Article VII, Section 34 of
2 the Constitution of Louisiana and this Section to qualify for the special assessment
3 level set forth in R.S. 47:1717.

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

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

1 §1719. Adjustment of Ad Valorem Tax Millages

2 A. Adjustments. Except as otherwise permitted in this Section, the total
3 amount of ad valorem taxes collected by any taxing authority in the year in which
4 the reappraisal and valuation provisions of Article VII, Section 32(F) of the
5 Constitution of Louisiana are implemented shall not be increased or decreased
6 because of a reappraisal or valuation or increases or decreases in the homestead
7 exemption above or below the total amount of ad valorem taxes collected by that
8 taxing authority in the year preceding implementation of the reappraisal and
9 valuation. To accomplish this result, the provisions of millage adjustments pursuant
10 to Article VII, Sections 32 and 34 of the Constitution of Louisiana and R.S. 47:1718
11 shall be mandatory. Thereafter, following implementation of each subsequent
12 reappraisal and valuation required by Article VII, Section 32 of the Constitution of
13 Louisiana, the millages as fixed in each such implementation shall remain in effect
14 unless changed as permitted by Subsection B of this Section.

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

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

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

6 §1720. Business inventory; fair market value adjustment

7 A.(1) For purposes of ad valorem taxation, a parish governing authority may
8 elect to reduce the percentage of fair market value applicable to property considered
9 business inventory. For purposes of this Section, the term "business inventory" shall
10 have the same meaning as the term is defined in R.S.47:1702.

11 (2) The reduction in the percentage of fair market value for business
12 inventory shall only apply in parishes in which the sheriff, school board, and the
13 parish governing authority elect to reduce the percentage of fair market value
14 applicable to business inventory. However, the percentage of fair market value
15 applicable to business inventory shall never be higher than the percentage applicable
16 to business inventory pursuant to Article VII, Section 32(B) of the State Constitution.

17 (3) The parish election to reduce the percentage of fair market value
18 applicable to business inventory shall be evidenced in writing and shall be submitted
19 to the Louisiana Tax Commission and the appropriate tax assessor within ten
20 calendar days of the execution of the agreement between the sheriff, school board,
21 and the parish governing authority to reduce the percentage of fair market value
22 applicable to business inventory. The written documentation shall contain the new
23 percentage of fair market value applicable to business inventory in the parish and
24 shall indicate the taxable periods to which the reduced percentage shall apply. The
25 Louisiana Tax Commission shall include all written notifications received from
26 parishes indicating a reduction of the percentage of the fair market value applicable
27 to business inventory in the commission's annual reports.

1 B. Any decrease in the total amount of ad valorem tax collected by a taxing
2 authority as a result of the reduction of the percentage of fair market value applicable
3 to business inventory authorized in this Section shall be absorbed by the taxing
4 authority and no additional tax liability for taxpayers in the taxing district shall be
5 created as a result of any subsequent reappraisal and valuation or millage adjustment.
6 Implementation of the reduction of the percentage of fair market value applicable to
7 business inventory authorized in this Section shall neither trigger nor be cause for a
8 reappraisal of property or an adjustment of millages pursuant to R.S. 47:1719.

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

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

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

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

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

20 (5) Sections 1715, 1716, 1717, 1718, and 1719 shall be renumbered as 1720, 1721,
21 1702, 1704, and 1708 respectively.

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

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

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

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____