



OFFICE OF LEGISLATIVE AUDITOR

Fiscal Note

Fiscal Note On: HB 66 HLS 051ES 277
Bill Text Version: ORIGINAL
Opp. Chamb. Action:
Sub. Bill For.:
Proposed Amd.:

Date: November 8, 2005 5:10 PM
Dept./Agy.: Local Government
Subject: Assessment of Damaged Property
Author: ALARIO
Analyst: Shawn Dietrich

ASSESSORS/PROPERTY ASSMT OR DECREASE LF RV See Note Page 1 of 1

Changes assessment procedures for property damaged or destroyed by disaster or emergency declared by the governor (Item #40)

Purpose of Bill: Requires assessors to assess property damaged or destroyed during a disaster or emergency declared by the governor for the year in which the damage occurred at a percentage of fair market value, taking into consideration the damages and the depreciation caused by the disaster or emergency. Assessors must prepare assessment lists, supplemental rolls, or change orders associated with such property. Provides for the appeal of assessments by taxpayers and taxing bodies to local review boards, the Louisiana Tax Commission, and the court system.

Table with 7 columns: EXPENDITURES, 2005-06, 2006-07, 2007-08, 2008-09, 2009-10, 5-YEAR TOTAL. Rows include State Gen. Fd., Agy. Self-Gen., Ded./Other, Federal Funds, Local Funds, and Annual Total.

Table with 7 columns: REVENUES, 2005-06, 2006-07, 2007-08, 2008-09, 2009-10, 5-YEAR TOTAL. Rows include State Gen. Fd., Agy. Self-Gen., Ded./Other, Federal Funds, Local Funds, and Annual Total.

EXPENDITURE EXPLANATION

This bill could increase local government expenditures by an indeterminate amount.

Assessors' expenditures could increase due to the preparation of assessment lists, supplemental rolls, or change orders associated with such damaged property. Also, the number of appeals by taxpayers and taxing bodies could increase, which may result in an increase in expenditures for local review boards, and possibly the court system. The Louisiana Tax Commission's expenses should not increase as a result of this measure, according to one of its officials.

REVENUE EXPLANATION

This bill could decrease local government revenues by an indeterminate amount.

The bill provides for an assessment of property damaged or destroyed during a disaster or emergency declared by the governor, but does not provide for an adjustment to the ad valorem tax millages. If the assessment results in an overall decrease in property values in a parish or district, tax revenues in that parish or district will decrease. The amount of this decrease cannot be calculated at this time.

According to an official at the Tax Commission, the revenue of state and local government should not be affected.

Senate Dual Referral Rules

13.5.1 >= \$500,000 Annual Fiscal Cost

13.5.2 >= \$500,000 Annual Tax or Fee Change

House

6.8(F) >= \$500,000 Annual Fiscal Cost

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

Handwritten signature of David K. Greer

David K. Greer
Director, Performance Audit