



OFFICE OF LEGISLATIVE AUDITOR

Fiscal Note

Fiscal Note On: SB 11 SLS 051ES 158
Bill Text Version: ORIGINAL
Opp. Chamb. Action:
Sub. Bill For.:
Proposed Amd.:

Date: November 9, 2005 4:58 PM
Dept./Agy.: Local Government
Subject: Ad Valorem Taxation
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TAX EXEMPTIONS OR DECREASE LF RV See Note Page 1 of 1
Provides for the assessment of property damaged by public calamities in the year in which the damage occurred, provides for procedure for listing, review, and appeals of such assessment and authorizes retention of the homestead exemption and the Purpose of Bill: Continues the homestead exemption and special assessment level for any qualifying homestead whose owner is unable to occupy the homestead on or before December 31st of the calendar year due to overflow, flood, or damage by rain, wind, hurricane, tornado, or other public calamity, general conflagration, or disaster as defined in the LA Homeland Security and Emergency Assistance and Disaster Act. Owners must file with their assessors an affidavit of intent to return and reoccupy the homestead within five years from December 31st of the year following the disaster. Owners may receive only one homestead exemption. Requires assessors to assess such damaged property and 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. There should be no impact on state governmental expenditures, according to the Louisiana Tax Commission.

REVENUE EXPLANATION

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

This bill allows home owners already receiving a homestead exemption to continue to receive the exemption even though they cannot occupy the dwelling due to damage or destruction before December 31st of the calendar year. To continue to receive the exemption, the homeowner must file an affidavit with the assessor of his intent to reoccupy the home within 5 years from December 31st of the year following the disaster.

The bill allows home owners already receiving a special assessment level to keep the special assessment level even though they cannot occupy their home due to damage or destruction before December 31st of the calendar year. The owner must reoccupy the repaired homestead within five years of December 31st of the year following the disaster.

The bill provides for an assessment of property flooded by water or damaged by disaster as defined in state law, 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.

Senate

Dual Referral Rules

House

13.5.1 >= \$500,000 Annual Fiscal Cost

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

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

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

Signature of David K. Greer

David K. Greer
Director, Performance Audit