



OFFICE OF LEGISLATIVE AUDITOR

Fiscal Note

Fiscal Note On: HB 148 HLS 051ES 411
Bill Text Version: ENGROSSED
Opp. Chamb. Action:
Sub. Bill For.: HB 64
Proposed Amd.:

Date: November 10, 2005 12:58 PM
Dept./Agy.: Local Government
Subject: Assessment of Damaged Property
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Analyst: Shawn Dietrich

ASSESSORS/PROPERTY ASSMT EG 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 (Items #40 and 42)

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 the fair market value, taking into consideration the damages and the depreciation of value caused by the damages, whether the time fixed by law for filing assessment rolls has elapsed or not. Requires assessors to include the assessments on their general assessment rolls, to prepare supplemental rolls, or to submit change orders. If an assessor submits a change order, the assessor must also submit an amended grand recap reflecting the changes in assessed values. Provides for the appeal of assessments by taxpayers. Provides that these assessments are not considered reassessments and do not result in the adjustment of ad valorem tax millages. Extends the deadline for payment of ad valorem taxes for 2005 (for 2006 in Orleans Parish) to no later than 45 days after certification and approval of the tax rolls by the tax commission or December 31, 2005, whichever is later.

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 assessments, supplemental rolls, change orders, and amended grand recaps associated with property damaged or destroyed during a gubernatorially declared disaster. Also, the number of appeals by taxpayers could increase, which may result in an increase in expenditures for local review boards, and possibly the court system.

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

The bill also extends the deadline for payment of 2005 taxes (2006 in Orleans Parish). These extensions have no fiscal impact on revenues.

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

Signature of David K. Greer

David K. Greer
Director, Performance Audit