
The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Riley Boudreaux.

DIGEST

Mount (SB 20)

Proposed law as to the homestead exemption and the special assessment level.

Authorizes retention of the homestead exemption and the special assessment level at its pre-disaster level if the homestead is damaged or destroyed during a disaster or emergency declared by the governor and whose owner is unable to occupy it.

In order to receive the homestead exemption, the owner must file an affidavit before December 31st of the year of the disaster of his intent to return and reoccupy within a period of 5 years from December 31st of the tax year in which the disaster occurred. Explicitly prohibits the extension or application of more than one homestead exemption to any person in the state.

In order to receive the "special assessment level," the repaired or rebuilt homestead must be reoccupied by the owner within 5 years from December 31st of the year following the disaster. The assessed value of the land and buildings on which the homestead was located prior to its damage cannot be increased above its assessed value immediately prior to the damage or destruction and still retain the special assessment level.

If the property owner receives a homestead exemption on another homestead during the same 5-year period, or fails to maintain the homestead exemption on the damaged or destroyed property, the property loses the special assessment level and the land and buildings are to be assessed in that year at the percentage of fair market value set forth in the constitution.

Proposed law as to deferral and postponement of tax upon damaged or destroyed property.

Present law requires assessments to be made on the basis of the conditions of things on January 1st (August 1st in New Orleans). Political subdivisions are authorized to reduce the interest charge or penalties on property taxes due when they declare an emergency by ordinance or resolution, but are prohibited from reducing the interest rate to less than 6% and penalties to 50% of the amount of the penalty.

Present law provides that there shall be no collection of tax during a year when property is affected by "overflow, general conflagration, general destruction of crops, or other public calamity" rendering "impracticable" the forcible collection of taxes - or the preceding year when the payment of such taxes for the preceding year is affected by the calamity.

However, the collection of taxes is required to be "postponed" in accordance with the following procedure:

The owner of the affected property is relieved from paying the taxes in that year if he makes a sworn statement on or before December 31st of the year in which the taxes are assessed, that his property has been injured or destroyed, giving the description of his property as assessed, and that by reason thereof, the forcible collection of the taxes of the year during which the injury occurred, or the preceding year, would be oppressive, and that he is unable to pay the same without a sacrifice of his property.

The taxes "postponed" must be divided into 10 equal parts which are assessed on the property for 10 subsequent years, and must bear interest at the rate of 6% per annum from the thirty-first day of December of the year in which they were originally due until paid. All of the postponed taxes may be paid at any time, and the lien canceled.

The filing of the owner's sworn statement operates as a first lien and privilege.

Proposed law makes the "postponement" procedure available whenever lands or other property, including buildings, structures, or personal property, are damaged or destroyed during any disaster or emergency declared by the governor. The sworn statement that property has been damaged or destroyed must be filed 30 days after the damage or destruction or by December 31st of that year, whichever occurs later.

Requires a statement of the right of the owner to have his taxes postponed to be provided with the tax bill.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 47:2106; adds R.S. 47:1703(E))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the original bill.

1. Changes the time limit for a taxpayer to file an affidavit requesting postponement from 60 days after the mailing of the tax bill to 30 days, or December 31st of the year damage occurred, whichever is later.
2. Requires a statement of the right of the owner to have his taxes postponed to be provided with the tax bill.