



OFFICE OF LEGISLATIVE AUDITOR

Fiscal Note

Fiscal Note On: SB 20 SLS 051ES 175
Bill Text Version: ENGROSSED
Opp. Chamb. Action:
Sub. Bill For.:
Proposed Amd.:

Date: November 15, 2005 12:29 PM
Dept./Agy.: Local Government
Subject: Ad Valorem Taxation
Author: MOUNT
Analyst: Shawn Dietrich

TAX/AD VALOREM EG INCREASE LF EX See Note Page 1 of 1

Provides for the extension of the homestead exemption and the "special assessment level" in the event of a public disaster, and a procedure for the postponement of payments of property taxes in the event of public disaster. (gov siq)

Purpose of Bill: Continues the homestead exemption and special assessment level for any qualifying homestead that is damaged or destroyed during a disaster or emergency declared by the governor and whose owner is unable to occupy the homestead. Owners must file with their assessors an affidavit of intent to return and reoccupy the homestead within five years from December 31st of the tax year in which the disaster occurred. Owners may receive only one homestead exemption. Provides for the postponement of the collection of property taxes when lands or other property, including buildings, structures, or personal property are damaged or destroyed during any disaster or emergency declared by the governor. Taxpayers seeking deferment must provide a sworn statement that the property has been damaged no later than December 31st of the year in which the damage occurred, or 30 days after the tax bill is mailed, 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

There may be an increase in local expenditures as a result of this measure.

There may be a slight increase in local governmental expenditures to implement the deferment provisions of this bill, according to an official of the Louisiana Tax Commission. The increase, if any, would depend on how many taxpayers take advantage of these provisions and whether tax collectors would have to increase staffing to accommodate any increased workload.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

This bill allows home owners already receiving a homestead exemption to continue to receive the exemption even though they are not inhabiting their dwelling because it was damaged during a disaster. The homeowner must file an affidavit with the assessor of his intent to return home within 5 years from December 31st of the year in which the disaster occurs. This bill allows home owners already receiving a special assessment level to keep the special assessment level even though they cannot occupy the homestead on or before December 31st of a future calendar year due to damage or destruction caused by a disaster. The owner must reoccupy the repaired homestead within five years of December 31st of the year following the disaster.

There is already a mechanism to defer payment of ad valorem tax when certain disasters occur. This measure clarifies the definition of what types of disaster will allow deferral to occur, and therefore should not impact revenue.

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

Handwritten signature of David K. Greer

David K. Greer
Director, Performance Audit