

Regular Session, 2013

SENATE BILL NO. 74

BY SENATOR JOHNS

TAX/AD VALOREM. Constitutional amendment to remove the income limit on persons age 65 or older receiving a special assessment on residential property. (1/1/15) (2/3-CA13s1(A))

A JOINT RESOLUTION

Proposing to amend Article VII, Section 18(G)(1)(a)(ii) of the Constitution of Louisiana, relative to ad valorem property tax; to remove the provision excluding persons of a certain adjusted gross income level from receiving the special assessment level; and to specify an election for submission of the proposition to electors and provide a ballot proposition.

Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members elected to each house concurring, that there shall be submitted to the electors of the state, for their approval or rejection in the manner provided by law, a proposal to amend Article VII, Section 18(G)(1)(a)(ii) of the Constitution of Louisiana, to read as follows:

§18. Ad Valorem Taxes

* * *

(G) Special Assessment Level.

(1)(a)(i) * * *

(ii)**(aa) Except as provided for in Subitem (bb) of this Item, any** ~~Any~~

person or persons shall be prohibited from receiving the special assessment as provided in this Section if such person's or persons' adjusted gross income, as

1 reported in the federal tax return for the year prior to the application for the special
2 assessment, exceeds fifty thousand dollars. For persons applying for the special
3 assessment whose filing status is married filing separately, the adjusted gross income
4 for purposes of this Section shall be determined by combining the adjusted gross
5 income on both federal tax returns. Beginning for the tax year 2001, and for each tax
6 year thereafter, the fifty thousand dollar limit shall be adjusted annually by the
7 Consumer Price Index as reported by the United States Government.

8 **(bb) The income restriction as provided for in this Item shall not apply**
9 **to any person or persons sixty-five years of age or older or their surviving**
10 **spouses.**

11 * * *

12 Section 2. Be it further resolved that this proposed amendment shall be submitted
13 to the electors of the state of Louisiana at the statewide election to be held on November 4,
14 2014.

15 Section 3. Be it further resolved that this proposed amendment shall become
16 effective January 1, 2015.

17 Section 4. Be it further resolved that on the official ballot to be used at said election
18 there shall be printed a proposition, upon which the electors of the state shall be permitted
19 to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as
20 follows:

21 Do you support an amendment to exclude owners sixty-five years of age or
22 older, or their surviving spouses, from the income provision prohibiting an otherwise
23 eligible person from receiving the special assessment level if the owner's adjusted
24 gross income exceeds fifty thousand dollars, adjusted annually by the Consumer
25 Price Index? (Amends Article VII, Section 18(G)(1)(a)(ii))

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

DIGEST

Johns (SB 74)

Present constitution authorizes a "special assessment level" which "freezes" the total assessment on the homestead for the first year that the owner receives the special assessment level.

- (1) People who are 65 years of age or older.
- (2) People who have a service-connected disability rating of 50% or more by the U. S. Department of Veterans Affairs.
- (3) Members of the armed forces or the Louisiana National Guard who are killed in action, missing in action, or are a prisoner of war for a period exceeding 90 days.
- (4) Any persons permanently totally disabled.

In the case of an owner who is 65 or older, the special assessment level remains on the property as long as that owner's surviving spouse who is 55 or older or who has minor children remains the owner of the property.

Present constitution prohibits an otherwise eligible person from receiving the special assessment level if his adjusted gross income, as reported on his federal tax return for the year prior to the application for the special assessment, exceeds \$50,000. Beginning in the 2001 tax year, the \$50,000 limit shall be adjusted annually by the Consumer Price Index as reported by the United States Government. It is \$69,463 for tax year 2013(2014 in New Orleans).

Proposed constitutional amendment deletes such income "cap" for receiving the "special assessment level" for owners who are 65 or older or that owner's surviving spouse.

Specifies submission of the amendment to the voters at the general election to be held on November 4, 2014.

Effective January 1, 2015.

(Amends Const. Art. VII, Sec. 18(G)(1)(a)(ii))