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

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DIGEST

SB 164 Original

2018 Regular Session

Morrell

Present constitution requires property subject to ad valorem taxes to be listed on the assessment roles at its assessed value which is a percentage of its fair market value. Requires all property subject to taxation to be reappraised and valued at intervals of not more than four years.

Proposed constitutional amendment retains the present constitution but provides that in a reassessment year, if any residential property's assessed value increases by greater than 35% of the amount of the property's assessed value in the previous year, the assessor shall phase-in the amount of the increase in the property's assessed value over a four-year period.

Proposed constitutional amendment prohibits property subject to the provisions of this proposed constitutional amendment from being reappraised by an assessor until after the four-year phase-in of the increase in the amount of the property's assessed value is complete.

Proposed constitutional amendment provides that the increase in assessed valuation of property phased in shall be included as taxable property for purposes of any subsequent reappraisals and valuation for millage adjustment purposes under present constitution. Further provides that the decrease in the total amount of ad valorem tax collected by a taxing authority as a result of the phase-in of assessed valuation shall be absorbed by the taxing authority and shall not create any additional tax liability for other taxpayers in the taxing district as a result of any subsequent reappraisal and valuation or millage adjustment.

Proposed constitutional amendment provides that implementation of the phase-in of increase in assessed valuation shall neither trigger nor be cause for a reappraisal of property or an adjustment of millages pursuant to present constitution. Further provides that proposed constitutional amendment shall not apply to the extent the increase was attributable to construction on or improvements to the property.

Specifies submission of the amendment to the voters at the statewide election to be held on November 6, 2018.

(Amends Article VII, Section 18(A) and (F))