



OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note

Fiscal Note On: HB 504 HLS 20RS 409
Bill Text Version: ORIGINAL
Opp. Chamb. Action:
Proposed Amd.:
Sub. Bill For.:

Date: April 8, 2020 3:07 PM Author: HILFERTY
Dept./Agy.: Assessors Analyst: Barbara Lively
Subject: Reassessment of Property

TAX/AD VALOREM TAX OR SEE FISC NOTE LF EX Page 1 of 1
(Constitutional Amendment) Requires all property within a parish to be reassessed in the same year for purposes of statewide reassessment

PURPOSE OF THE BILL: This Constitutional amendment would require assessors to reappraise all the property subject to taxation in their district in the same year within a four-year interval. The amendment does not allow any assessor to reappraise a portion of the property each year within the four-year interval.

This proposed Constitutional Amendment is to be submitted to the electors at the statewide election to be held on November 3, 2020.

Table with 7 columns: EXPENDITURES, 2020-21, 2021-22, 2022-23, 2023-24, 2024-25, 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, 2020-21, 2021-22, 2022-23, 2023-24, 2024-25, 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 fund expenditures as a result of this measure, according to the Orleans Parish Assessor.

The Calcasieu Assessor and Officer of the Louisiana Assessors' Association stated that most assessors are reappraising property in the time frame outlined in this measure and there would be no effect on expenditures.

The Orleans Parish Assessor stated that he would need to increase his appraisal staff by 20% to 25% which would increase annual expenditures by \$258,320 (4 new staff X \$64,580 in salary, fringe benefits, and car allowance) to reappraise all the property in his parish in one year (as the Assessor reappraises a portion of property in different years within a four year interval).

According to the Secretary of State's Office, they routinely budget for the costs of constitutional amendments for statewide primary and general elections. Therefore, this bill would have no fiscal impact related to the election.

REVENUE EXPLANATION

There is no anticipated direct material effect on local fund revenues as a result of this measure as the bill only provides for the timeframe related to reappraisal of property .

The Calcasieu Assessor and Officer of the Louisiana Assessors' Association stated that most assessors are reappraising property in the time frame outlined in the measure and there would be no overall fiscal impact.

Currently, the Orleans Assessor reappraises property in different years within a four year interval. This bill only puts Orleans in line with the practice of other assessors. We spoke with several officials (including those with the Louisiana Tax Commission) and it appears that this bill's requirements (reappraising all the existing property in the same year) would not directly affect overall property tax revenues collected for local government entities.

Senate Dual Referral Rules
13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Signature of Michael G. Battle
Michael G. Battle
Manager, Advisory Services