



OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note

Fiscal Note On: HB 521 HLS 20RS 762
Bill Text Version: ENGROSSED
Opp. Chamb. Action:
Proposed Amd.:
Sub. Bill For.:

Date: May 12, 2020 1:36 PM
Author: HILFERTY
Dept./Agy.: Orleans Parish Assessor
Subject: Property Assessment Notices
Analyst: Marc Deshotels

TAX/AD VALOREM TAX EG INCREASE LF EX See Note Page 1 of 1
Provides for the notification process for ad valorem reappraisal in Orleans Parish

Purpose of Bill: This bill requires the Orleans Parish Assessor to use certified mail when providing notice to taxpayers with a homestead exemption regarding the reassessment amount of their property (when reassessment increases by more than 50%), and requires this notice to be sent no less than 15 days before the commencement of the appeal period.

Table with 7 columns: EXPENDITURES, 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 for both categories.

EXPENDITURE EXPLANATION

This bill may increase local fund expenditures for the Orleans Parish Assessor by an indeterminable amount.

Current law provides for assessment notices to be sent to tax payers (1) as a result of the reappraisal of property every 4 years, (2) supplemental assessments related to omitted or erroneously assessed properties, and (3) when the taxable assessment of the property increases by 15% or more.

This bill would require that the Orleans Parish Assessor send notices by certified mail when the reappraisal of a property with a homestead exemption has an increase in excess of 50% of the previously assessed value.

Last year, according to the Orleans Parish Assessor, there were 4,210 properties with a homestead exemption in Orleans Parish that had an increase in appraised value in excess of 50%. The Orleans Parish Assessor estimated that his cost to send a certified notice would be \$6.00 per notice. He said that his current cost was \$.55 per notice, so there would be an increased cost of \$5.45 per notice.

Based on this information, this bill could increase the Orleans Parish Assessor's expenditures by up to \$23,000 (\$5.45 per notice x 4,210 notices) per year. However the exact impact is indeterminable at this time due to variations in the property reassessed annually.

REVENUE EXPLANATION

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

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
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