

HOUSE SUMMARY OF SENATE AMENDMENTS

HB 525

2020 Regular Session

Hilferty

TAX/AD VALOREM TAX: (Constitutional Amendment) Increases the income threshold for purposes of qualifying for the special assessment level

Synopsis of Senate Amendments

1. Delays the start date of the annual Consumer Price Index adjustment from tax year 2021 to tax year 2026.

Digest of Bill as Finally Passed by Senate

Present constitution provides that the assessment of residential property receiving the homestead exemption which is owned and occupied by certain enumerated persons shall not be increased above the total assessment of that property for the first year that the owner qualifies for and receives the special assessment level, provided that such person or persons remain qualified for and receive the special assessment level.

Present constitution provides that the special assessment level applies to:

- (1) People who are 65 or older.
- (2) People who have a service-connected disability rating of 50% or more by the U.S. Dept. of Veterans Affairs.
- (3) Members of the armed forces of the U.S. or the La. National Guard who owned and last occupied the property who are killed in action, or who are missing in action or are a prisoner of war for a period exceeding 90 days.
- (4) Any person or persons permanently totally disabled as determined by a final non-appealable judgment of a court or as certified by a state or federal administrative agency charged with the responsibility for making determinations regarding disability.

Proposed constitutional amendment retains present constitution.

Present constitution prohibits a person from receiving the special assessment if the person's adjusted gross income, as reported in the federal tax return for the year prior to the application, exceeds \$50,000 (this amount applied for tax year 2001 and is adjusted each tax year based on the Consumer Price Index). Provides that gross income is combined for applicants whose filing status is married filing separately.

Proposed constitutional amendment increases the income threshold for qualifying for the special assessment level for residential property receiving the homestead exemption from \$50,000 adjusted annually based on the Consumer Price Index to \$100,000 with this amount being adjusted annually based on the Consumer Price Index beginning in tax year 2026.

Provides for submission of the proposed amendment to the voters at the statewide election to be held November 3, 2020.

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