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## DIGEST

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HB 599 Engrossed

2022 Regular Session

Beaulieu

**Abstract:** Provides for an ad valorem tax exemption for veterans with certain service-connected disability ratings and their surviving spouses.

Present constitution provides that, in addition to the homestead exemption which applies to the first \$7,500 of the assessed valuation of property, the next \$7,500 of the assessed valuation of property receiving the homestead exemption which is owned and occupied by a veteran with a service-connected disability rating of 100% unemployability or totally disabled by the U.S. Dept. of Veterans Affairs shall be exempt from ad valorem tax. Further provides that this exemption shall apply to the surviving spouse of a deceased veteran with a disability rating of 100% whether or not the exemption was in effect on the property prior to the death of the veteran.

Present constitution provides that the exemption shall only extend and apply in a parish if it is established through an election which shall be called by either an ordinance or a resolution from the parish governing authority. Provides that the proposition shall state that the exemption shall extend and apply in the parish and become effective only after the question of its adoption has been approved by a majority of the registered voters of the parish voting in an election held for that purpose. Allows for a parish to implement the exemption if it held an election prior to Nov. 4, 2014 without holding an additional election.

Proposed constitutional amendment repeals present constitution.

Proposed constitutional amendment provides that, in addition to the homestead exemption which applies to the first \$7,500 of the assessed valuation of property, property receiving the homestead exemption which is owned and occupied by a veteran with a service-connected disability rating by the U.S. Dept. of Veterans Affairs shall be exempt from ad valorem tax as follows:

- (1) For a veteran with a disability rating of 50% or more but less than 70%, the next \$2,500 of the assessed valuation of the property shall be exempt. Provides that if property eligible for the exemption has an assessed value in excess of \$10,000, ad valorem property taxes shall apply to the assessment in excess of \$10,000.
- (2) For a veteran with a disability rating of 70% or more but less than 100%, the next \$4,500 of the assessed valuation of the property shall be exempt. Provides that if property eligible for the exemption has an assessed value in excess of \$12,000, ad valorem property taxes shall apply to the assessment in excess of \$12,000.

- (3) For a veteran with a disability rating of 100% unemployability or totally disabled, the total assessed valuation of the property shall be exempt.

Proposed constitutional amendment provides that the proposed constitutional amendment exemptions apply to the surviving spouse of a deceased veteran with the required disability rating, whether or not the exemption was in effect on the property prior to the death of the veteran.

Present constitution provides that the assessment of property for which the exemption has been claimed, shall not be treated 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 exemption 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. Provides that implementation of the exemption shall neither trigger nor be cause for a reappraisal of property, or an adjustment of millages.

Proposed constitutional amendment retains present constitution and provides that these provisions apply to proposed constitutional amendment.

Provides for submission of the proposed amendment to the voters at the statewide election to be held Nov. 8, 2022.

(Amends Const. Art. VII, §21(K))

#### Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the original bill:

1. Delete provisions in present constitution which provide for an additional \$7,500 homestead exemption for veterans with a service-connected disability rating of 100% unemployability or totally disabled.
2. Delete provisions in present constitution which provide that the additional \$7,500 homestead exemption for veterans with a 100% disability rating shall only apply in parishes in which a separate election was held and a majority of electors voted in favor of the exemption.
3. Add provisions that create an ad valorem tax exemption that exempts the total assessed valuation of property which is receiving the homestead exemption and which is owned and occupied by a veteran with a service-connected disability rating of 100% unemployability or totally disabled.
4. Make changes to constitutional ballot language.

5. Make technical changes.