2022 Regular Session

HOUSE CONCURRENT RESOLUTION NO. 50

BY REPRESENTATIVE NEWELL

TAX/PROPERTY: Requests a study of the practicality and feasibility of phasing-in property tax increases when a property's assessed value increases after reassessment by a percentage of less than fifty percent of the previous year's assessed value

1	A CONCURRENT RESOLUTION	
2	To authorize and request the chairman of the House Committee on Ways and Means and the	
3	chairman of the Senate Committee on Revenue and Fiscal Affairs to establish a joint	
4	subcommittee composed of not more than three members of each respective	
5	committee to study the practicality and feasibility of phasing-in property tax	
6	increases when the assessed value of property increases after the reassessment of the	
7	property by a percentage of less than fifty percent of the previous year's assessed	
8	value, and to report its findings and recommendations to the legislature prior to the	
9	convening of the 2023 Regular Session.	
10	WHEREAS, Article VII, Section 18 of the Constitution of Louisiana provides for the	
11	assessment and classification of property subject to ad valorem taxation; and	
12	WHEREAS, the constitution requires all property subject to taxation to be	
13	reappraised and valued at intervals of not more than four years; and	
14	WHEREAS, Article VII, Section 18(F)(2) requires a four-year phase-in of the	
15	assessed value of immovable property following a statewide reappraisal of property if the	
16	assessed value of the immovable property increases by an amount greater than fifty percent	
17	of the property's assessed value in the previous year; and	
18	WHEREAS, increases of less than fifty percent in the assessed value of property can	
19	create hardships for Louisiana property owners who have limited financial resources or who	
20	live on fixed incomes and can not afford large increases in ad valorem property taxes; and	

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WHEREAS, consideration should be given to circumstances where a lower threshold 2 of an increase in the assessed valuation of property would qualify for the four-year phase-in 3 of property taxes in order for property owners with limited financial means to maintain 4 ownership of their property; and

5 WHEREAS, lowering the threshold for triggering the four-year phase-in of increases 6 in the assessed value of property for purposes of property taxes should be balanced against 7 the loss of revenue the phase-in can create for local governments, many of which finance 8 operational expenses for the provision of services for citizens on the revenue generated from 9 ad valorem property taxes.

10 THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby 11 authorize and request the chairman of the House Committee on Ways and Means and the 12 chairman of the Senate Committee on Revenue and Fiscal Affairs to establish a joint 13 subcommittee composed of not more than three members of each respective committee to 14 study the practicality and feasibility of phasing-in property tax increases when the assessed 15 value of property increases after the reassessment of the property by a percentage of less 16 than fifty percent of the previous year's assessed value, and to report its findings and 17 recommendations to the legislature prior to the convening of the 2023 Regular Session.

18 BE IT FURTHER RESOLVED that the chairman of the House Committee on Ways 19 and Means shall call the first meeting of the joint subcommittee, and, at such meeting, the 20 members of the joint subcommittee shall select a member of the joint subcommittee to serve as its chairman and shall select any other officers deemed necessary by the joint 21 22 subcommittee.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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Authorizes the chairman of the House Committee on Ways and Means and the chairman of the Senate Committee on Revenue and Fiscal Affairs to establish a joint subcommittee composed of not more than three members of each respective committee to study the practicality and feasibility of phasing-in property tax increases when the assessed value of property increases after the reassessment of the property by a percentage of less than 50% of the previous year's assessed value and to report its findings and recommendations to the legislature prior to the 2023 R.S.

Summary of Amendments Adopted by House

- The Committee Amendments Proposed by <u>House Committee on Ways and Means</u> to the <u>original</u> bill:
- 1. Require the chairmen of the House Committee on Ways and Means and the Senate Committee on Revenue and Fiscal Affairs to establish a joint subcommittee composed of not more than three members of each respective committee to study the issue rather than the entire membership of both committees.
- 2. Require the joint subcommittee report its findings and recommendations to the legislature prior to the commencement of the 2023 R.S.
- 3. Require the chairman of the House Committee on Ways and Means to call the first meeting of the joint subcommittee, and, at such meeting, require the members of the joint subcommittee to select a member to serve as its chairman and to select any other officers deemed necessary.