

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 365** HLS 24RS 243

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: March 24, 2024 2:33 PM	Author: HILFERTY
Dept./Agy.: Local Government/Tax Commission	Analyst: Deborah Vivien
Subject: Timeframe for reassessment of property for AVT	

TAX/AD VALOREM TAX OR SEE FISC NOTE LF RV Page 1 of 1
(Constitutional Amendment) Limits the frequency of the reappraisal and valuation of certain property for purposes of ad valorem property taxes

Current constitution directs that all property must be reappraised and valued at intervals of not more than four years (quadrennial reassessment) but may be reappraised in any year if the character of the property has changed the fair market value or use value, subject to review by parish authority, Tax Commission and courts. Current law provides for a phase-in of taxes related to reassessments that increase by 50% or more.

Proposed amendment retains current law and directs that all property may only be appraised once every four years, and authorizes the legislature to provide for exceptions to the frequency of reappraisal and valuation of real property.

Effective for tax years beginning on or after January 1, 2025 upon voter approval at the November 5, 2024 election.

EXPENDITURES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	

Annual Total

REVENUES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	

Annual Total

EXPENDITURE EXPLANATION

The bill authorizes the legislature to change the frequency of reappraisals but does not specify any changes to frequency. Thus, there is no anticipated direct material effect on governmental expenditures as a result of this measure. Should the legislature change the frequency of such reappraisals, additional local resources may be necessary.

Since the bill would be in effect for tax year 2025 onward, it would be subject to appraisals occurring during calendar year 2025 for most parishes, but would apparently be in effect for appraisals occurring during calendar 2024 for Orleans Parish.

REVENUE EXPLANATION

The bill authorizes the legislature to change the frequency of reappraisals but does not specify those changes. Thus, there is no anticipated direct material effect on governmental revenue as a result of this measure. Should the legislature change the frequency of such reappraisals, local revenue may vary from current collections based on the outcomes of the reappraisals.

Senate

Dual Referral Rules

House

13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Alan M. Boxberger

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Legislative Fiscal Officer