



LEGISLATIVE FISCAL OFFICE  
Fiscal Note

Fiscal Note On: **SB 57** SLS 25RS 15  
Bill Text Version: **ENGROSSED**  
Opp. Chamb. Action:  
Proposed Amd.:  
Sub. Bill For.:

|   |          |                                |
|---|----------|--------------------------------|
| <b>Date:</b> April 24, 2025                                   | 12:00 PM | <b>Author:</b> FESI            |
| <b>Dept./Agy.:</b> Local Government/LA Tax Commission         |          |                                |
| <b>Subject:</b> Removes the income cap for the 65+ AVT freeze |          | <b>Analyst:</b> Deborah Vivien |

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Constitutional Amendment to remove the income limitation for persons age sixty-five or older that qualify for the special assessment level for residential property receiving the homestead exemption. (2/3-CA13s1(A)) (1/1/26)  
Present constitution authorizes the assessed value of property receiving the homestead exemption and owned and occupied by certain taxpayers to be frozen at the assessment in place when certain eligibility criteria is attained and verified, including federal adjusted gross income below \$100,000 annually. Eligibility is limited to those 65+, veterans with a service-related disability of 50% or more, members (spouses) of armed forces or national guard killed in action, missing in action or prisoner of war, and the permanently and totally disabled.

Proposed constitutional amendment retains current law regarding eligibility criteria for the special assessment freeze but repeals the income limit only for those 65 and older.

Effective with Tax Year 2027 upon voter approval at the statewide election to be held on November 15, 2026

| EXPENDITURES        | 2025-26    | 2026-27    | 2027-28    | 2028-29    | 2029-30    | 5 -YEAR TOTAL |
|---------------------|------------|------------|------------|------------|------------|---------------|
| State Gen. Fd.      | \$0        | \$0        | \$0        | \$0        | \$0        | <b>\$0</b>    |
| Agy. Self-Gen.      | \$0        | \$0        | \$0        | \$0        | \$0        | <b>\$0</b>    |
| Ded./Other          | \$0        | \$0        | \$0        | \$0        | \$0        | <b>\$0</b>    |
| Federal Funds       | \$0        | \$0        | \$0        | \$0        | \$0        | <b>\$0</b>    |
| Local Funds         | \$0        | \$0        | \$0        | \$0        | \$0        | <b>\$0</b>    |
| <b>Annual Total</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b>    |

| REVENUES            | 2025-26    | 2026-27    | 2027-28         | 2028-29         | 2029-30         | 5 -YEAR TOTAL |
|---------------------|------------|------------|-----------------|-----------------|-----------------|---------------|
| State Gen. Fd.      | \$0        | \$0        | \$0             | \$0             | \$0             | <b>\$0</b>    |
| Agy. Self-Gen.      | \$0        | \$0        | \$0             | \$0             | \$0             | <b>\$0</b>    |
| Ded./Other          | \$0        | \$0        | \$0             | \$0             | \$0             | <b>\$0</b>    |
| Federal Funds       | \$0        | \$0        | \$0             | \$0             | \$0             | <b>\$0</b>    |
| Local Funds         | \$0        | \$0        | <b>DECREASE</b> | <b>DECREASE</b> | <b>DECREASE</b> | <b>\$0</b>    |
| <b>Annual Total</b> | <b>\$0</b> | <b>\$0</b> |                 |                 |                 | <b>\$0</b>    |

**EXPENDITURE EXPLANATION**  
There is no anticipated direct material effect on governmental expenditures as a result of this measure. It is expected by LFO, though not verified by response, that removing the income limit for the 65+ AVT special assessment will require local tax system adjustments that are closely related to the existing special assessment with minimal resources required.

**REVENUE EXPLANATION**  
The bill increases the eligibility pool for the special assessment to include all properties receiving the homestead exemption owned and occupied by those 65 and older, regardless of income. As income data related to property ownership is not readily available, the magnitude of the repeal of the income requirement cannot be determined. However, the bill can only serve to decrease ad valorem tax revenue collections as a significant number of properties immediately become eligible for the special assessment on Tax Year 2027 bills and will forgo any increases in assessed value in the future. Local revenue will decrease for any entity funded by a millage or fee that is charged against a 65+ special assessment property.

The 2024 Tax Commission Annual Report identifies 378,986 properties currently receiving the special assessment statewide for those 65+.

A significant change in local property tax collections could impact the local effort included in the MFP calculation, which in turn could impact SGF, depending on the local taxing structure.