



**LEGISLATIVE FISCAL OFFICE
Fiscal Note**

Fiscal Note On: **HB 340** HLS 26RS 899
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: March 6, 2026 12:14 PM **Author:** DEWITT
Dept./Agy.: Local Tax Assessors **Analyst:** Garrett Ordner
Subject: Frequency of Reappraisal and Valuation for Property Taxes

TAX/AD VALOREM TAX OR SEE FISC NOTE LF RV Page 1 of 1
 Limits the frequency of reappraisal and valuation of property for ad valorem tax purposes

Present law requires that, in order to determine assessed valuation of real property for purposes of ad valorem property taxes, the property shall be reappraised at least once every four years.

Proposed law changes this interval from every four years to every five years.

Effective for tax years beginning on or after January 1, 2027 and contingent on approval of the proposed constitutional amendment contained in HB 412 of the 2026 RS.

EXPENDITURES	2026-27	2027-28	2028-29	2029-30	2030-31	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	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2026-27	2027-28	2028-29	2029-30	2030-31	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	\$0	\$0	SEE BELOW	SEE BELOW	SEE BELOW	\$0
Annual Total	\$0	\$0				\$0

EXPENDITURE EXPLANATION
 Proposed law may result in changes to the timing of any workload associated with reappraisal to the extent that parish assessors decrease the frequency with which they conduct reappraisal and valuation procedures, but proposed law is not expected to have a material impact on costs to parish assessors. The Louisiana Legislative Auditor, which adjusts millages following reappraisals, reports that it will not be materially affected by proposed law.

REVENUE EXPLANATION
 Proposed law will have an indeterminable effect on local ad valorem tax revenues. Shifting the 2028 reappraisal and valuation to 2029 may result in reduced revenues for tax year 2028, but allowing for an additional year of property value inflation prior to reappraisal and valuation may lead to increased tax revenues in tax year 2029 and subsequent tax years. The proposed decrease in the frequency of reappraisals may ultimately lead to larger, but less frequent, increases in tax revenue resulting from increases in the value of the tax base. The impact to revenues will depend upon the changes to the value of the existing tax base and whether taxing authorities elect to "roll forward" millages following reappraisal.

Present law requires parish assessors to reappraise and value property at least every four years, and millages are subsequently adjusted to maintain tax revenues consistent with the prior year despite changes to the value of the existing tax base. However, if millages are decreased in response to increases in the value of the existing tax base, a taxing authority may, by a two-thirds vote and after a public hearing, subsequently increase ("roll forward") the millage up to the prior year's maximum, allowing the taxing authority to capture the increase in ad valorem tax revenues resulting from the increase in the value of the existing tax base.

If such a taxing authority rolls forward their millage following a 2029 reappraisal and valuation, the value of the tax base will have increased by an additional year's worth of property value inflation, and tax revenues will be higher than if the reappraisal and valuation had occurred in 2028.

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| <p><u>Senate</u></p> <p><input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}</p> <p><input checked="" type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}</p> | <p><u>Dual Referral Rules</u></p> | <p><u>House</u></p> <p><input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}</p> <p><input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}</p> |
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Alan M. Boxberger
 Legislative Fiscal Officer