



OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note

Fiscal Note On: SB 56 SLS 13RS 252
Bill Text Version: ORIGINAL
Opp. Chamb. Action:
Proposed Amd.:
Sub. Bill For.:

Date: April 10, 2013 2:16 PM Author: MORRELL
Dept./Agy.: Tax/Ad Valorem Constitutional Amendment Analyst: Jessica Savoy
Subject: Exclusion of Disabled Individuals of AGI Requirements

TAX/AD VALOREM OR DECREASE LF RV See Note Page 1 of 1
Constitutional amendment to exclude owners who are permanently totally disabled from the requirement that they annually certify to the assessor the amount of their adjusted gross income in order to receive the Special Assessment Level. (1/1/15)
Purpose of Bill: To exclude homeowners who are permanently totally disabled from the requirement to annually certify their adjusted gross income in order to receive the Special Assessment Level on their residences for property tax purposes, if that individual has applied for and received the special assessment level in the prior year. The bill specifies submission of the amendment at the state wide election in November.

Table with 7 columns: EXPENDITURES, 2013-14, 2014-15, 2015-16, 2016-17, 2017-18, 5-YEAR TOTAL. Rows include State Gen. Fd., Agy. Self-Gen., Ded./Other, Federal Funds, Local Funds, and Annual Total.

Table with 7 columns: REVENUES, 2013-14, 2014-15, 2015-16, 2016-17, 2017-18, 5-YEAR TOTAL. Rows include State Gen. Fd., Agy. Self-Gen., Ded./Other, Federal Funds, Local Funds, and Annual Total.

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

We requested fiscal impact estimates from the Tax Assessors in Bossier Parish, East Baton Rouge Parish, Lafayette Parish, and Orleans Parish. Three of the assessor's offices stated that there would not be an effect on the on expenditures. However, Orleans Parish stated that there may be a small reduction in expenditures by eliminating the annual review of income statements needed to process and review disability forms.

REVENUE EXPLANATION

There may be a decrease local governmental revenues as a result of this measure.

This measure would allow permanently totally disabled homeowners with an adjusted gross income greater than the allowable amount to qualify for a special assessment level on their residences for property tax purposes. The actual dollar decrease is indeterminable because of several variables such as the the number of permanently totally disabled homeowners in each parish, the values of said houses, the millage rate for each parish, and the actual number of homeowners that would apply.

Three of the assessor's offices stated that the decrease in tax revenue would be minimal or negligible. Orleans Parish estimated property tax revenues may decrease by \$113,400 for 2014-2015 increasing to \$131,274 for 2017-2018.

- Senate Dual Referral Rules House
13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} 6.8(F) >= \$500,000 Annual Fiscal Cost {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}

Joy Irwin
Director of Advisory Services