
DIGEST

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Tim Burns

HB No. 723

Abstract: Provides requirements relating to constitutionally authorized ad valorem tax millage rate increases without voter approval in certain parishes

Proposed law shall apply to any parish with a population between two hundred thirty thousand and two hundred fifty thousand according to the 2010 federal decennial census.

Present constitution requires the automatic adjustment of millage rates after property reassessment or a change in the homestead exemption. Millage rates are increased or decreased so that the amount of taxes collected in the year after the change in the tax base is the same as that collected in the prior year. Further, present constitution authorizes a taxing authority to increase millage rates in excess of those established after the automatic adjustments required by present constitution. Such increase may occur without further voter approval.

Present constitution sets out limitations on the amount a millage rate may be increased, and requires approval of two-thirds vote of the governing authority of the taxing authority. Further, present constitution provides requirements regarding the public hearing at which such millage increase would be considered.

Proposed law provides with respect to the transmission of information and documents between the assessor and each taxing authority for purposes of proposed law.

Proposed law provides for specific requirements and conditions relating to a taxing authority exercising the authority to increase a millage rate as provided in present constitution. These include: the adoption of certain ordinances, extensive and detailed requirements relating to the public hearing at which a vote to increase a millage rate would occur including the scheduling of the hearing and components and publication of the meeting notice.

Proposed law provides that the official journal of the jurisdiction of the taxing authority shall publish the notices required pursuant to proposed law at a charge not in excess of the rates assessed and charged for regular commercial advertising.

Proposed law authorizes and directs the legislative auditor to review the millages levied by each taxing authority in each year that reassessment occurs to determine whether the millages levied are in compliance Louisiana constitution and law. Further, the legislative auditor is required to review the millages levied by each taxing authority in each year in which an increase in millage is made pursuant to the authority granted in present constitution to determine whether the

millage increase is in compliance with present constitution and law. The auditor is authorized to order changes in the amount of millage levied if the auditor determines thereafter that mathematical error has occurred in the calculation of such millage increase.

(Adds R.S. 47:1705.1)