



OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note

Fiscal Note On: HB 162 HLS 13RS 284
Bill Text Version: RE-REENGROSSED
Opp. Chamb. Action:
Proposed Amd.:
Sub. Bill For.:

Table with metadata: Date: May 16, 2013 10:22 AM; Author: PEARSON; Dept./Agy.: Local Taxing Authorities; Subject: Ad Valorem Taxes; Analyst: Theresa Chatelain

TAX/AD VALOREM TAX RR SEE FISC NOTE LF RV See Note Page 1 of 1
(Constitutional Amendment) Provides with respect to maximum authorized millage rates and provisions authorizing increases in certain millage rates without voter approval

Purpose of Bill: Currently, the Constitution provides that the total tax collected shall not increase or decrease because of a change in the assessed value; therefore, a decrease or increase in the assessed value will increase or decrease the millage rate to retain the same total tax.

This measure allows the taxing body to roll forward using millage rates established in the last ten years. This measure also provides that the public notice required to increase the millage rate to the prescribed maximum must be published and advertised between sixty and thirty days before the date of the public hearing.

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

The effect on local government expenditures is indeterminable as a result of this measure.

If the legislature prescribed additional scheduling requirements, this could increase expenditures for the taxing authority. For example, if the legislature required additional meetings and notification processes related to millage increases (as provided for in this bill), there could be additional administrative costs incurred by the taxing bodies.

REVENUE EXPLANATION

The effect on local government revenues is indeterminable as a result of this measure.

Current law allows taxing bodies to roll forward using the prior year's maximum millage rate (year prior to reassessment). If they do not roll forward to the maximum rate established in the prior year, that rate is "lost" and cannot be used again.

In periods of decreasing assessments, the proposed legislation may not have a fiscal impact, because roll-forward provisions do not apply when assessments decrease.

- 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}

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