SLS 16RS-94

ORIGINAL

2016 Regular Session

SENATE BILL NO. 39

BY SENATOR GATTI

TAX EXEMPTIONS. Constitutional amendment increasing level of assessed valuation at which homestead exemption applies. (2/3 - CA13s1(A))

| 1 | A JOINT RESOLUTION |
|----|---|
| 2 | Proposing to amend Article VII, Section 20(A)(1) of the Constitution of Louisiana, relative |
| 3 | to the amount of assessed valuation at which the homestead exemption applies; to |
| 4 | increase the level of assessed valuation of property at which the homestead |
| 5 | exemption applies; to provide for implementation; to provide for an effective date; |
| 6 | and to specify an election for submission of the proposition to electors and provide |
| 7 | a ballot proposition. |
| 8 | Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members |
| 9 | elected to each house concurring, that there shall be submitted to the electors of the state, for |
| 10 | their approval or rejection in the manner provided by law, a proposal to amend Article VII, |
| 11 | Section 20(A)(1) of the Constitution of Louisiana, to read as follows: |
| 12 | §20. Homestead Exemption |
| 13 | Section 20.(A) Homeowners. |
| 14 | (1) The bona fide homestead, consisting of a tract of land or two or more |
| 15 | tracts of land even if the land is classified and assessed at use value pursuant to |
| 16 | Article VII, Section 18(C) of this constitution, with a residence on one tract and a |
| 17 | field with or without timber on it, pasture, or garden on the other tract or tracts, not |
| | |

Page 1 of 3 Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

| 1 | exceeding one hundred sixty acres, buildings and appurtenances, whether rural or |
|----|---|
| 2 | urban, owned and occupied by any person or persons owning the property in |
| 3 | indivision, shall be exempt from state, parish, and special ad valorem taxes to the |
| 4 | extent of the first thousand dollars of the assessed valuation, and seven six |
| 5 | thousand five hundred dollars of the assessed valuation which is in excess of the |
| 6 | first thirty five hundred dollars of the assessed valuation. The same homestead |
| 7 | exemption shall also fully apply to the primary residence, including a mobile home, |
| 8 | which serves as a bona fide home and which is owned and occupied by any person |
| 9 | or persons owning the property in indivision, regardless of whether the homeowner |
| 10 | owns the land upon which the home or mobile home is sited; however, this |
| 11 | homestead exemption shall not apply to the land upon which such primary residence |
| 12 | is sited if the homeowner does not own the land. |
| 13 | * * * |
| 14 | Section 2. Be it further resolved that, if approved by the voters, this proposed |
| 15 | amendment shall be effective beginning January 1, 2018. |
| 16 | Section 3. Be it further resolved that this proposed amendment shall be submitted |
| 17 | to the electors of the state of Louisiana at the statewide election to be held on November 8, |
| 18 | 2016. |
| 19 | Section 4. Be it further resolved that on the official ballot to be used at said election |
| 20 | there shall be printed a proposition, upon which the electors of the state shall be permitted |
| 21 | to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as |
| 22 | follows: |
| 23 | Do you support an amendment to change the levels of assessed value at |
| 24 | which the \$75,000 homestead exemption applies by retaining the homestead |
| 25 | exemption for the first \$10,000 of a homestead's value, subjecting the |
| 26 | homestead value between \$10,001 and \$35,000 to property tax, and |
| 27 | exempting the homestead value between \$35,001 and \$100,000? |
| 28 | (Amends Article VII, Section 20(A)(1)) |

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Leonore Heavey.

SB 39 Original

DIGEST 2016 Regular Session

Gatti

<u>Present constitution</u> exempts from certain property taxes the first \$7,500 of assessed valuation (\$75,000 of fair market value) of a homestead.

<u>Proposed constitutional amendment</u> retains provisions of <u>present constitution</u> with respect to the \$7,500 homestead exemption but changes the level of assessed value at which the homestead exemption applies.

<u>Proposed constitutional amendment</u> beginning January 1, 2018, maintains an overall exemption of \$7,500 of assessed value but makes the assessed value between \$1,000 and \$3,500 taxable. The first \$10,000 of fair market value would be exempt, the fair market value between \$10,001 and \$35,000 would be taxable, and the fair market value between \$35,001 and \$100,000 would be exempt.

Specifies submission of the amendment to the voters at the statewide election to be held on November 8, 2016.

(Amends Const. Art. VII, Sec. 20(A)(1))