SENATE BILL NO. 164

BY SENATORS MORRELL AND WALSWORTH

1 A JOINT RESOLUTION

Proposing to amend Article VII, Section 18(A) and (F) of the Constitution of Louisiana, to
provide relative to ad valorem taxation; to provide for the reappraisal of property
subject to ad valorem taxation; to require the phase-in of the amount of an increase
in assessed value of certain property following reappraisal under certain
circumstances; to provide for certain limitations; and to specify an election for
submission of the proposition to electors and provide a ballot proposition.

Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members
elected to each house concurring, that there shall be submitted to the electors of the state, for
their approval or rejection in the manner provided by law, a proposal to amend Article VII,
Section 18(A) and (F) of the Constitution of Louisiana, to read as follows:

§18. Ad Valorem Taxes

Section 18.(A) Assessments. Property subject to ad valorem taxation shall be
listed on the assessment rolls at its assessed valuation, which, except as provided in
Paragraphs (C), (F), and (G), shall be a percentage of its fair market value. The
percentage of fair market value shall be uniform throughout the state upon the same
class of property.

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(F) Reappraisal. (1) All property subject to taxation shall be reappraised and
valued in accordance with this Section, at intervals of not more than four years.

(2)(a) In the year of implementation of a reappraisal as required in
Subparagraph (1) of this Paragraph, solely for purposes of determining the ad
valorem tax imposed on residential property subject to the homestead
exemption as provided in Section 20 of this Article, if the assessed value of
immovable property increases by an amount which is greater than fifty percent

Coding: Words which are struck through are deletions from existing law; words in boldface type and underscored are additions.
of the property's assessed value in the previous year, the collector shall phase-in
the additional tax liability resulting from the increase in the property's assessed
value over a four-year period as follows:

(i) For purposes of calculating the ad valorem taxes on the property in
the first levy following reappraisal, the collector shall use the property's
assessed value from the previous year, which shall be called the base amount as
used in this Subparagraph, and shall increase the portion of the assessed value
of the property used to calculate ad valorem taxes by adding an amount which
is equal to one-fourth of the amount of the increase in the property's assessed
value as a result of the reappraisal to the base amount. This resulting amount
shall constitute the property's taxable value and shall be used solely for
purposes of calculating ad valorem taxes for that taxable year.

(ii) For purposes of calculating the ad valorem taxes on the property in
the second levy following reappraisal, the collector shall increase the portion of
the assessed value of the property used to calculate ad valorem taxes by adding
an amount which is equal to one-half of the amount of the increase in the
property's assessed value as a result of the reappraisal to the base amount. This
resulting amount shall constitute the property's taxable value and shall be used
solely for purposes of calculating ad valorem taxes for that taxable year.

(iii) For purposes of calculating the ad valorem taxes on the property in
the third levy following reappraisal, the collector shall increase the portion of
the assessed value of the property used to calculate ad valorem taxes by adding
an amount which is equal to three-quarters of the amount of the increase in the
property's assessed value as a result of the reappraisal to the base amount. This
resulting amount shall constitute the property's taxable value and shall be used
solely for purposes of calculating ad valorem taxes for that taxable year.

(iv) In the fourth levy following reappraisal, the collector shall calculate
ad valorem taxes based on the property's full assessed value.

(b) The provisions of this Subparagraph providing for a phase-in of
additional ad valorem tax liability following reappraisal shall cease to apply
upon the transfer or conveyance of ownership of the property. Following a
transfer or conveyance, the collector shall calculate ad valorem taxes based on
the property's full assessed value.

(c) Property subject to the provisions of this Subparagraph shall not be
subject to reappraisal by an assessor until after the four-year phase-in of the
amount of the increase in the property's assessed value is complete.

(d) Notwithstanding any provision of this constitution to the contrary,
the increase in assessed valuation of property phased-in under this
Subparagraph shall be included as taxable property for purposes of any
subsequent reappraisals and valuation for millage adjustment purposes under
Article VII, Section 23(B) of this constitution. The decrease in the total amount
of ad valorem tax collected by a taxing authority as a result of this phase-in of
assessed valuation shall be absorbed by the taxing authority and shall not create
any additional tax liability for other taxpayers in the taxing district as a result
of any subsequent reappraisal and valuation or millage adjustment.

Implementation of this phase-in of increase in assessed valuation authorized in
this Subparagraph shall neither trigger nor be cause for a reappraisal of
property or an adjustment of millages pursuant to the provisions of Article VII,
Section 23(B) of this constitution.

(e) The provisions of this Subparagraph shall not apply to the extent the
increase was attributable to construction on or improvements to the property.

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Section 2. Be it further resolved that this proposed amendment shall be submitted
to the electors of the state of Louisiana at the statewide election to be held on November 6,
2018.

Section 3. Be it further resolved that on the official ballot to be used at said election
there shall be printed a proposition, upon which the electors of the state shall be permitted
to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as
follows:

Do you support an amendment that will require that any reappraisal of the
value of residential property by more than 50%, resulting in a corresponding
increase in property taxes, be phased-in over the course of four years during
which time no additional reappraisal can occur and that the decrease in the
total ad valorem tax collected as a result of the phase-in of assessed valuation
be absorbed by the taxing authority and not allocated to the other taxpayers?
(Amends Article VII, Section 18(A) and (F))