

Regular Session, 2005

SENATE BILL NO. 89

BY SENATORS NEVERS AND MARIONNEAUX

TAX/AD VALOREM. Adds the homesteads of certain disabled veterans, and those killed in action or who are missing in action or a prisoner of war for over 90 days to the "special assessment level" which freezes their property tax assessments. (1/1/07) (2/3-CA13s1(A))

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A JOINT RESOLUTION

Proposing to amend Article VII, Section 18(G)(1)(a)(i) and (iii) and (2)(a) and add Article VII, Section 18(G)(1)(a)(iv) of the Constitution of Louisiana, relative to ad valorem property tax; to provide for a special assessment level for certain deaths, disabilities, and other hazards of the military; to provide for certification of eligibility; 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(G)(1)(a)(i) and (iii) and (2)(a) and add Article VII, Section 18(G)(1)(a)(iv) of the Constitution of Louisiana, to read as follows:

§18. Ad Valorem Taxes

* * *

(G)(1) Special Assessment Level.

(a)(i) The assessment of residential property receiving the homestead exemption which is owned and occupied by any of the following ~~person or persons~~

1 ~~sixty-five years of age or older~~ and who meet all of the other requirements of this
 2 Section shall not be increased above the total assessment of that property for the first
 3 year that the owner qualifies for and receives the special assessment level, **provided**
 4 **that such person or persons remain qualified for the special assessment level:**

5 **(aa) People who are sixty-five years of age or older.**

6 **(bb) People who have a service-connected disability rating of fifty**
 7 **percent or more by the United States Department of Veterans Affairs.**

8 **(cc) Members of the armed forces of the United States or the Louisiana**
 9 **National Guard who owned and last occupied such property who are killed in**
 10 **action, or who are missing in action or are a prisoner of war for a period**
 11 **exceeding ninety days.**

12 * * *

13 (iii) An eligible owner **or the owner's spouse or other legally qualified**
 14 **representative** shall apply for the special assessment level by filing a signed
 15 application establishing that the owner qualifies for the special assessment level with
 16 the assessor of the parish or, in the parish of Orleans, the assessor of the district
 17 where the property is located.

18 **(iv) An owner who is below the age of sixty-five and who has applied for**
 19 **and received the special assessment level may qualify for and receive the special**
 20 **assessment level in the subsequent year by certifying to the assessor of the**
 21 **parish, or in the parish of Orleans, the assessor of the district where the**
 22 **property is located, that such person or persons' adjusted gross income in the**
 23 **prior tax year satisfied the income requirement of this Section.**

24 * * *

25 (2) The special assessment level shall remain on the property as long as:

26 (a)(i) ~~That~~ **The** owner **who is sixty-five years of age or older**, or that
 27 owner's surviving spouse who is fifty-five years of age or older or who has minor
 28 children, remains the owner of the property.

29 **(ii) The owner who has a service-connected disability of fifty percent or**

1 more, or that owner's surviving spouse who is forty-five years of age or older
2 or who has minor children, remains the owner of the property.

3 (iii) The spouse of the owner who is killed in action remains the owner
4 of the property.

5 (iv) The first day of the tax year following the tax year in which an owner
6 who was missing in action or was a prisoner of war for a period exceeding
7 ninety days is no longer missing in action or a prisoner of war.

8 (v) The certification required by Subitem (1)(a)(iv) of this Paragraph is
9 provided to the assessor.

10 * * *

11 Section 2. Be it further resolved that this proposed amendment shall be submitted
12 to the electors of the state of Louisiana at the statewide election to be held on November 7,
13 2006, to become effective January 1, 2007.

14 Section 3. Be it further resolved that on the official ballot to be used at said election
15 there shall be printed a proposition, upon which the electors of the state shall be permitted
16 to vote FOR or AGAINST, to amend the Constitution of Louisiana, which proposition shall
17 read as follows:

18 To grant a "special assessment level" to homesteads of people who have a
19 service-connected disability rating of fifty percent or more by the United
20 States Department of Veterans Affairs and people who owned and last
21 occupied such property who are killed in action, or are missing in action or
22 are a prisoner of war for a period exceeding ninety days; to provide that the
23 "special assessment level" remains on the property as long as it is owned by
24 the surviving spouse of the owner who has a service-connected disability
25 who is forty-five years of age or older or who has minor children, or owned
26 by the spouse of the owner who is killed in action; to provide that the
27 "special assessment level" remains on the property until the first day of the
28 tax year following the tax year in which an owner who was missing in action
29 or was a prisoner of war is no longer missing or a prisoner of war; to provide

1 that the assessment of the homestead cannot be increased above its total
 2 assessment for the first year that the owner qualifies for and receives the
 3 special assessment level, provided that the value of the property does not
 4 increase more than twenty-five percent because of construction or
 5 reconstruction; prohibits the special assessment level if such person's or
 6 persons' adjusted gross income for the year prior to the application for the
 7 special assessment - or on both returns if the spouse's are filing separately -
 8 exceeds fifty-six thousand seven hundred forty-four dollars for Tax Year
 9 2005 - which will be adjusted annually by the Consumer Price Index for that
 10 tax year; to require annual certification of eligibility by those under sixty-five
 11 years of age. (Amends Article VII, Section 18(G)(1)(a)(i) and (iii) and
 12 (2)(a); adds Article VII, Section 18(G)(1)(a)(iv))

The original instrument was prepared by Riley Boudreaux. The following digest, which does not constitute a part of the legislative instrument, was prepared by Sherri H. Breaux.

Nevers (SB 89)

DIGEST

Present constitution grants a "special assessment level" to homesteads of people 65 or older which provides that the assessment of the homestead cannot be increased above its total assessment for the first year that the owner qualifies for and receives the special assessment level. The millage rate is not subject to the limitation.

Prohibits the special assessment level if such person's or persons' adjusted gross income, as reported in the federal tax return for the year prior to the application for the special assessment -- or on both returns if the spouse's are filing separately -- exceeds \$56,744 for Tax Year 2005 -- adjusted annually by the Consumer Price Index.

An eligible owner applies for the special assessment level by filing an application with the assessor.

The special assessment level remains on the property as long as:

1. The owner, or the owner's surviving spouse who is 55 or older, or who has minor children, remains the owner of the property.
2. The value of the property does not increase more than 25% because of construction or reconstruction.

Proposed constitutional amendment provides the "special assessment level" to the following people if the people meet all of the other requirements in the present constitution:

1. People who have a service-connected disability rating of 50% or more by the United States Department of Veterans Affairs.

2. Members of the armed forces of the United States or the Louisiana National Guard who owned and last occupied such property who are killed in action, or who are missing in action or are a prisoner of war for a period exceeding 90 days.

Further requires such owners who are under 65 years of age to qualify for the special assessment level in the subsequent year by certifying to the assessor where the property is located, that his adjusted gross income in the prior tax year satisfied the constitutional income requirements.

Proposed constitutional amendment provides that the "special assessment level" remains on the homestead as long as:

1. The owner who has a service-connected disability of 50% or more, or that owner's surviving spouse who is 45 years of age or older or who has minor children, remains the owner of the property.
2. The spouse of the owner who is killed in action remains the owner of the property.
3. The first day of the tax year following the tax year in which an owner who was missing in action or was a prisoner of war for a period exceeding 90 days is no longer missing in action or a prisoner of war.
4. They provide the certification of eligibility to the assessor required above.

Authorizes an owner's spouse or "other legally qualified representative" to apply for the "special assessment level" for an eligible owner.

Specifies submission of the amendment to the voters at the statewide election to be held on November 7, 2006.

Effective January 1, 2007.

(Amends Const. Art. VII, Sec. 18(G)(1)(a)(i) and (iii) and (2)(a); adds Const. Art. VII Sec. 18(G)(1)(a)(iv))

Summary of Amendments Adopted by Senate

Senate Floor Amendments to engrossed bill.

1. Requires annual certification of eligibility by persons under 65 years of age.