

**CONFERENCE COMMITTEE REPORT**

Senate Bill No.89 by Senator Nevers

June 23, 2005

To the Honorable President and Members of the Senate and to the Honorable Speaker and Members of the House of Representatives:

We, the conferees appointed to confer over the disagreement between the two houses concerning Senate Bill 89 by Senator Nevers recommend the following concerning the Reengrossed bill:

1. That House Committee Amendments Nos. 1 through 3 proposed by the House Committee on Ways and Means and adopted by the House of Representatives on June 16, 2005 be adopted.
2. That House Committee Amendments Nos. 4 and 5 proposed by the House Committee on Ways and Means and adopted by the House of Representatives on June 16, 2005 be rejected.
3. That House Floor Amendment Nos. 1 proposed by Representative Arnold and adopted by the House of Representatives on June 20, 2005 be adopted.
4. That House Floor Amendment No. 2 proposed by Representative Arnold and adopted by the House on June 20, 2005 be rejected.
5. That the following amendments to the reengrossed bill be adopted:

AMENDMENT NO. 1

On page 1, at the top of the page, change "SENATORS NEVERS AND MARIONNEAUX" to "SENATORS NEVERS, HEITMEIER, AND MARIONNEAUX, AND REPRESENTATIVES KENNARD AND FAUCHEUX"

AMENDMENT NO. 2

On page 3, delete lines 8 and 9, and insert:

**"(v) Even if the ownership interest of any surviving spouse or spouse of an owner who is missing in action as provided for in this Subparagraph is an interest in usufruct."**

AMENDMENT NO. 3

On page 3, delete lines 18 through 29, on page 4, delete lines 1 through 10, and on line 11, delete "years of age." and insert:

"To extend the special assessment level to homesteads owned and occupied by any person with a service-connected disability rating of fifty percent or more and by certain members of the armed forces of the United States or members of the Louisiana National Guard killed or missing in action or who were prisoners of war, and to any person designated as permanently totally disabled, subject to other conditions and requirements provided under the present constitution, and to require annual certification of eligibility by

persons under sixty-five years of age who have qualified and received the special assessment level."

Respectfully submitted,

Senators:

Representatives:

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Senator Ben Nevers

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Representative Harold Ritchie

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Senator Gerald J. Theunissen

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Representative Bryant O. Hammett, Jr.

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Senator Edwin R. Murray

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Representative Jeffery Arnold

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The legislative instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Riley Boudreaux.

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CONFERENCE COMMITTEE REPORT DIGEST

SB No.89 by Senator Nevers

**Keyword and summary of the bill as it left the Senate**

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))

**Report adopts House amendments to:**

1. Grant the "special assessment level" to people permanently totally disabled as determined by a final non-appealable judgement of a court or as certified by a state or federal administrative agency charged with the responsibility of making determinations regarding disability.
2. Exempt the surviving spouse of an owner who was 65 years of age or older and who had received the special assessment level from annual re-certification of income level.

**Report rejects House amendments which would have:**

1. Authorized the eligible surviving spouse of an owner who was 65 years of age or older and who had received the special assessment level to retain it even if the ownership interest is in usufruct.
2. Amended the constitutional amendment's ballot proposition.

**Report amends the bill to:**

1. Authorize the eligible surviving spouses of owners who were 65 years of age or older, who had a service-connected disability rating of 50% or over, who were killed in action or were a prisoner of war for over 90 days, and who had received the special assessment level, to retain it even if the ownership interest is in usufruct.
2. Provide for co-authors.
3. Correct a technical error in the ballot proposition.

**Digest of the bill as it left the Senate**

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))