

Regular Session, 2009

HOUSE BILL NO. 509

BY REPRESENTATIVE LEGER

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

TAX/AD VALOREM TAX: (Constitutional Amendment) Provides relative to ad valorem property tax sales

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A JOINT RESOLUTION

Proposing to amend Article VII, Section 25(A)(1) and (E) of the Constitution of Louisiana, relative to tax sales; to provide relative to the procedure for bidding at ad valorem property tax sales; to provide for the payment of penalties by an ad valorem tax sale bidder; to provide for the payment of penalties, interest, and costs by a taxpayer when taxes on movables are delinquent; to provide for submission of the proposed amendment to the electors; and to provide for related matters.

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 of Louisiana, for their approval or rejection in the manner provided by law, a proposal to amend Article VII, Section 25(A)(1) and (E) of the Constitution of Louisiana, to read as follows:

§25. Tax Sales

Section 25.(A) Tax Sales. (1) There shall be no forfeiture of property for nonpayment of taxes. However, at the expiration of the year in which the taxes are due, the collector, without suit, and after giving notice to the delinquent in the manner provided by law, shall advertise for sale the property on which the taxes are due. The advertisement shall be published in the official journal of the parish or municipality, or, if there is no official journal, as provided by law for sheriffs' sales, in the manner provided for judicial sales. On the day of sale, the collector shall sell

1 the portion of the property which the debtor points out. If the debtor does not point
 2 out sufficient property, the collector shall sell immediately the ~~least quantity of~~
 3 property which any bidder will buy for the amount of the taxes, interest, penalties,
 4 and costs. Any bidder may elect to bid down the five percent penalty, as provided
 5 in Subparagraph (B)(1) of this Section, in increments of one-tenth of one percent.
 6 The sale shall be without appraisalment. A tax deed by a tax collector shall be prima
 7 facie evidence that a valid sale was made.

8 * * *

9 (E) Movables; Tax Sales. When taxes on movables are delinquent, the tax
 10 collector shall seize and sell sufficient movable property of the delinquent taxpayer
 11 to pay the tax, interest, penalties, and costs, whether or not the property seized is the
 12 property which was assessed. Sale of the property shall be at public auction, without
 13 appraisalment, after ten days advertisement, published within ten days after date of
 14 seizure. It shall be absolute and without redemption.

15 If the tax collector can find no corporeal movables of the delinquent to seize,
 16 he may levy on incorporeal rights, by notifying the debtor thereof, or he may proceed
 17 by summary rule in the courts to compel the delinquent to deliver for sale property
 18 in his possession or under his control.

19 * * *

20 Section 2. Be it further resolved that this proposed amendment shall be submitted
 21 to the electors of the state of Louisiana at the statewide election to be held on November 2,
 22 2010.

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

27 To provide relative to the bidding process for ad valorem property tax sales
 28 by authorizing a bidder at a tax sale to bid down the existing five percent
 29 penalty in increments of one-tenth of one percent; to require the payment of

1 penalties by a bidder at ad valorem property tax sales; to require the payment
 2 of interest, penalties, and costs by a taxpayer who is delinquent on the
 3 payment of taxes on movables. (Amends Article VII, Section 25(A)(1) and
 4 (E))

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Leger

HB No. 509

Abstract: Changes the bidding process for ad valorem tax sales to allow the bidder to bid down the 5% penalty provided by the La. Constitution; requires the payment of penalties by a bidder at an ad valorem tax sale; and requires the delinquent taxpayer to pay interest, penalties, and costs on the tax sale of movable property.

Present constitution provides, relative to ad valorem property tax sales, that on the day of sale, the collector shall sell the portion of the property which the debtor points out, and that if the debtor does not point out sufficient property, the collector shall sell immediately the least quantity of property which any bidder will buy for the amount of the taxes, interest, and costs.

Proposed constitution removes the authority of the assessor to sell the least quantity of the tax debtor's property, and provides that any bidder may elect to bid down in increments of .01%, the 5% penalty provided in La. Const. Art. VII, §25(B)(1).

Proposed constitution provides for the payment of penalties in addition to taxes, interest, and costs.

Present constitution provides that when taxes on movables are delinquent, the tax collector shall seize and sell sufficient movable property of the delinquent taxpayer to pay the tax, whether or not the property seized is the property which was assessed.

Proposed constitution retains present constitution and also provides for the taxpayer to pay interest, penalties, and costs.

Provides for submission of the proposed amendment to the voters at the statewide election to be held Nov. 2, 2010.

(Amends Const. Art. VII, §25(A)(1) and (E))