

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 135** HLS 11RS 482

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: May 8, 2011 3:47 PM	Author: NOWLIN
Dept./Agy.: Local Government	Analyst: Greg Albrecht
Subject: Prohibits New Property Transfer Taxes	

TAX/PROPERTY TRANSFER OR SEE FISC NOTE LF RV Page 1 of 1
(Constitutional Amendment) Prohibits the levy of new taxes or fees upon the sale or transfer of immovable property for Nov. 30, 2011

Prohibits the levy of any new tax or fee upon the sale or transfer of immovable property by the State or or by any political subdivision after November 30, 2011.

To be submitted at the statewide election on November 19, 2011. If adopted, effective on November 30, 2011.

EXPENDITURES	2011-12	2012-13	2013-14	2014-15	2015-16	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2011-12	2012-13	2013-14	2014-15	2015-16	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

REVENUE EXPLANATION

According to the Louisiana Municipal Association, only New Orleans is currently levying a tax or fee on property transfers. The Association is not aware of any other local government in the state levying such a tax or fee. According to the City of New Orleans it currently levies a \$325 documentary transaction tax on property transfers. This tax generated some \$3.6 million in 2010 and is expected to generate \$4.4 million in 2011.

This bill prohibits new taxes after November 30, 2011 and, presumably, will not affect the existing levy in new Orleans. Also, the language of the bill is broad, referencing taxes, fees, sales and use taxes, documentary transaction taxes or fees, or any other fee. Presumably, the bill is not intended to prohibit typical administrative fees (or increases in them) associated with property transactions. However, the language may be interpreted to prohibit those types of fees.

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>	
<input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}		<input type="checkbox"/> 6.8(F)1 >= \$500,000 Annual Fiscal Cost {S}	<i>H. Gordon Monk</i> H. Gordon Monk Legislative Fiscal Officer
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}		<input type="checkbox"/> 6.8(F)2 >= \$100,000 Annual SGF Cost {H&S}	
		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}	