

Regular Session, 2004

ACT No. 929

SENATE BILL NO. 806 (Substitute for Senate Bill No. 158 by Senator Dupre)

BY SENATOR DUPRE AND REPRESENTATIVE DOERGE AND COAUTHORED BY SENATORS MCPHERSON, ROMERO AND ULLO AND REPRESENTATIVES ALARIO, ANSARDI, ARNOLD, BALDONE, BAUDOIN, BAYLOR, BOWLER, BROOME, BRUCE, BRUNEAU, BURNS, BURRELL, R. CARTER, CROWE, CURTIS, DAMICO, DANIEL, DARTEZ, DEWITT, DORSEY, DOVE, DOWNS, DURAND, FANNIN, FARRAR, FAUCHEUX, FLAVIN, FRITH, GALLOT, GRAY, M. GUILLORY, HAMMETT, HEATON, HEBERT, HILL, HONEY, JACKSON, JEFFERSON, JOHNS, KENNEY, LANCASTER, MARCHAND, MARTINY, MCDONALD, MONTGOMERY, MURRAY, ODINET, PITRE, QUEZAIRE, RICHMOND, RITCHIE, ROMERO, SALTER, SCHNEIDER, SHEPHERD, GARY SMITH, JACK SMITH, JANE SMITH, ST. GERMAIN, THOMPSON, TOOMY, TOWNSEND, TRICHE, WADDELL, WALKER, WOOTON AND WRIGHT

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A JOINT RESOLUTION

Proposing to amend Section 20(A) of Article VII of the Constitution of Louisiana, relative to the homestead exemption from ad valorem property taxes; to provide persons eligible for the homestead exemption and for the valuation of land which is the homestead; to provide for the homestead exemption for homesteads owned in indivision and for fields in which there is timber; to provide for the application of the exemption to the surviving spouse, testamentary or irrevocable trusts, usufructuaries, and to property occupied by a buyer under a bond for deed contract under certain conditions; to prohibit more than one exemption for any person; 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 20(A) of the Constitution of Louisiana, to read as follows:

§20. Homestead Exemption

Section 20.(A) Homeowners.

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1 (1) The bona fide homestead, consisting of a tract of land or two or more
2 tracts of land **even if the land is classified and assessed at use value pursuant to**
3 **Article VII, Section 18(C) of this constitution**, with a residence on one tract and
4 a field **with or without timber on it**, pasture, or garden on the other tract or tracts,
5 not exceeding one hundred sixty acres, buildings and appurtenances, whether rural
6 or urban, owned and occupied by any person **or persons owning the property in**
7 **indivision**, shall be exempt from state, parish, and special ad valorem taxes to the
8 extent of seven thousand five hundred dollars of the assessed valuation. The same
9 homestead exemption shall also fully apply to the primary residence, including a
10 mobile home, which serves as a bona fide home and which is owned and occupied
11 by any person **or persons owning the property in indivision**, regardless of whether
12 the homeowner owns the land upon which the home or mobile home is sited;
13 however, this homestead exemption shall not apply to the land upon which such
14 primary residence is sited if the homeowner does not own the land.

15 (2) The homestead exemption shall extend **and apply fully** to the surviving
16 spouse **or a former spouse** ~~or minor children of a deceased owner and shall apply~~
17 when the homestead is occupied ~~as such~~ **by the surviving spouse or a former**
18 **spouse** and title to it is in ~~either the husband or wife~~ **the name of (a) the surviving**
19 **spouse as owner of any interest or either or both of the former spouses, (b) the**
20 **surviving spouse as usufructuary, or (c) a testamentary trust established for the**
21 **benefit of the surviving spouse and the descendants of the deceased spouse or**
22 **surviving spouse**, but not to more than one homestead owned by **either** the husband
23 or wife, **or both**.

24 **(3) The homestead exemption shall extend to property owned by an**
25 **irrevocable trust when the principal beneficiary or beneficiaries of the trust are**
26 **the settlor or settlors of the trust and were the immediate prior owners of the**
27 **homestead, and the homestead is occupied as such by a principal beneficiary.**
28 **The provisions of this Subparagraph shall apply only to property which**
29 **qualified for the homestead exemption immediately prior to transfer,**

1 conveyance, or donation in trust, or which would have qualified for the
2 homestead exemption if such property were not owned in trust.

3 (4) The homestead exemption shall extend to property where the
4 usufruct of the property has been granted to no more than two usufructuaries
5 who were the immediate prior owners of the homestead and the homestead is
6 occupied as such by a usufructuary. The provisions of this Subparagraph shall
7 apply only to property which qualified for the homestead exemption
8 immediately prior to the granting of such usufruct, or which would have
9 qualified for the homestead exemption if such usufruct had not been granted.

10 (5) The homestead exemption shall extend only to a natural person or
11 persons and to an irrevocable trust created by a natural person or persons, in
12 which the beneficiaries of the trust are a natural person or persons provided
13 that the provisions of this Paragraph are otherwise satisfied.

14 (6) Except as otherwise provided for in this Paragraph, the homestead
15 exemption shall apply to property owned in indivision, but shall be limited to
16 the pro rata ownership interest of that person or persons occupying the
17 homestead.

18 (7) No homestead exemption shall be granted on bond for deed property.
19 However, any homestead exemption granted prior to June 20, 2003 on any
20 property occupied upon the effective date of this Paragraph by a buyer under
21 a bond for deed contract shall remain valid as long as the circumstances giving
22 rise to the exemption at the time the exemption was granted remain applicable.

23 (8) Notwithstanding any provision of this Paragraph to the contrary, in
24 no event shall more than one homestead exemption extend or apply to any
25 person in this state.

26 ~~(3)~~(9) This exemption shall not extend to municipal taxes. However, the
27 exemptions shall apply (a) in Orleans Parish, to state, general city, school, levee, and
28 levee district taxes and (b) to any municipal taxes levied for school purposes.

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1 Section 2. Be it further resolved that this proposed amendment shall be submitted to
2 the electors of the state at an election to be held on November 2, 2004.

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

7 To provide that homestead exempt property is limited to property owned and
8 occupied by the owners; to provide for land classified and assessed at use
9 value; to provide that a field which qualifies for a homestead exemption may
10 have timber on it; to prohibit granting the homestead exemption to bond for
11 deed property unless granted before June 20, 2003; to explicitly prohibit more
12 than one homestead exemption applying to any person; and to require the
13 homestead exemption to extend to the following:

14 (1) The surviving spouse when the homestead is occupied by the
15 surviving spouse and title to it is in the surviving spouse's name as
16 owner of any interest or as usufructuary, or in the name of a
17 testamentary trust established for the benefit of the surviving spouse
18 or the descendants, or to the former spouse when the homestead is
19 occupied by the former spouse and title to it is in the name of either
20 or both of the former spouses.

21 (2) Property owned by an irrevocable trust when the principal beneficiary
22 or beneficiaries are the settlor or settlors of the trust and were the
23 immediate prior owners of the homestead, and the homestead is
24 occupied as such by a principal beneficiary.

25 (3) Property where the usufruct has been granted to no more than two
26 usufructuaries who occupy the homestead and who were the
27 immediate prior owners of the homestead.

28 (4) A natural person or persons and to an irrevocable trust created by a
29 natural person or persons in which the beneficiaries of the trust are a

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- 1 natural person or persons if the criteria above is otherwise satisfied.
- 2 (5) Property owned, limited to the pro rata ownership interest of the
- 3 person occupying the homestead unless provided otherwise above.
- 4 (Amends Article VII, Section 20(A))

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES