

Regular Session, 2009

SENATE BILL NO. 101

BY SENATOR HEBERT AND REPRESENTATIVES MILLS AND BARRAS

TAX/AD VALOREM. Constitutional amendment to require the homestead exemption to be increased each reappraisal year in accordance with the increases in the Consumer Price Index. (2/3 - CA13s1)

1 A JOINT RESOLUTION

2 Proposing to amend Article VII, Section 20(A)(1), of the Constitution of Louisiana, relative  
3 to the homestead exemption; to require an adjustment of the homestead exemption;  
4 to provide for certain limitations; to provide for submission of the proposed  
5 amendment to the electors; and to provide for related matters.

6 Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members  
7 elected to each house concurring, that there shall be submitted to the electors of the state of  
8 Louisiana, for their approval or rejection in the manner provided by law, a proposal to  
9 amend Article VII, Section 20(A)(1) of the Constitution of Louisiana, to read as follows:

10 §20. Homestead Exemption

11 Section 20.(A) Homeowners.

12 (1)(a) The bona fide homestead, consisting of a tract of land or two or more  
13 tracts of land even if the land is classified and assessed at use value pursuant to  
14 Article VII, Section 18(C) of this constitution, with a residence on one tract and a  
15 field with or without timber on it, pasture, or garden on the other tract or tracts, not  
16 exceeding one hundred sixty acres, buildings and appurtenances, whether rural or  
17 urban, owned and occupied by any person or persons owning the property in

1           indivision, shall be exempt from state, parish, and special ad valorem taxes to the  
 2           extent of seven thousand five hundred dollars of the assessed valuation, **adjusted as**  
 3           **provided for in Item (b) of this Subparagraph.** The same homestead exemption  
 4           shall also fully apply to the primary residence, including a mobile home, which  
 5           serves as a bona fide home and which is owned and occupied by any person or  
 6           persons owning the property in indivision, regardless of whether the homeowner  
 7           owns the land upon which the home or mobile home is sited; however, this  
 8           homestead exemption shall not apply to the land upon which such primary residence  
 9           is sited if the homeowner does not own the land.

10                   **(b) Beginning January 1, 2012, the homestead exemption provided for**  
 11                   **in Item (a) of this Subparagraph shall be increased by a percentage which**  
 12                   **equals the percentage increase in the Consumer Price Index United States city**  
 13                   **average for all urban consumers (CPI-U), as prepared by the United States**  
 14                   **Department of Labor, bureau of labor statistics, for each of the four preceding**  
 15                   **calendar years. Thereafter, whenever the provisions of Article VII, Section**  
 16                   **18(F) are implemented, the homestead exemption that is in effect shall be**  
 17                   **increased by a percentage which equals the percentage increase in the**  
 18                   **Consumer Price Index United States city average for all urban consumers (CPI-**  
 19                   **U), as prepared by the United States Department of Labor, bureau of labor**  
 20                   **statistics, from the last reappraisal to the date of implementation. However, the**  
 21                   **amount of the homestead exemption shall never be less than the amount of the**  
 22                   **homestead exemption in the preceding tax year.**

23   \*       \*       \*

24           Section 2. Be it further resolved that this proposed amendment shall be submitted  
 25           to the electors of the state of Louisiana at the statewide election to be held on November 2,  
 26           2010.

27           Section 3. Be it further resolved that on the official ballot to be used at said election  
 28           there shall be printed a proposition, upon which the electors of the state shall be permitted  
 29           to vote FOR or AGAINST, to amend the Constitution of Louisiana, which proposition shall

1 read as follows:

2 To require, beginning January 1, 2012, the homestead exemption to be  
 3 increased by a percentage which equals the percentage increase in the  
 4 Consumer Price Index United States city average for all urban consumers  
 5 (CPI-U), as prepared by the United States Department of Labor, bureau of  
 6 labor statistics, for the four preceding calendar years. Thereafter, to require  
 7 the homestead exemption to be increased by a percentage which equals the  
 8 percentage increase in the Consumer Price Index United States city average  
 9 for all urban consumers (CPI-U), as prepared by the United States  
 10 Department of Labor, bureau of labor statistics, from the last reappraisal to  
 11 the date of implementation; to prohibit the homestead exemption amount  
 12 from being less than the homestead exemption amount in the preceding tax  
 13 year. (Amends Article VII, Section 20(A)(1))

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The original instrument and the following digest, which constitutes no part  
 of the legislative instrument, were prepared by Clifton W. Gillespie.

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#### DIGEST

Present constitution provides for the annual levy of ad valorem taxes and the exemptions from taxation of homesteads and other property. The bona fide homestead is exempt from state, parish, and special ad valorem taxes up to \$7,500 of assessed valuation.

Present constitution prohibits the total amount of ad valorem taxes collected by any taxing authority in the year in which reappraisal provisions in Art. VII, §18(F) are implemented from being increased or decreased because of increases or decreases in the homestead exemption above or below the total amount of ad valorem taxes collected by that taxing authority in the year preceding implementation of the reappraisal.

Proposed constitutional amendment requires that, beginning in tax year 2012, the homestead exemption shall be increased by a percentage which equals the percentage increase in the Consumer Price Index United States city average for all urban consumers (CPI-U), for each of the four preceding calendar years. Thereafter, whenever the provisions of Art. VII, Section 18(F) are implemented, the homestead exemption that is in effect shall be increased by a percentage which equals the percentage increase in the Consumer Price Index United States city average for all urban consumers (CPI-U), from the last reappraisal to the date of implementation. However, the amount of the homestead exemption shall never be less than the amount of the homestead exemption in the preceding tax year.

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

(Amends Const. Art. VII, §20(A)(1))