

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 433** SLS 10RS 832

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

| | |
|--|-------------------------------|
| Date: April 9, 2010 9:55 AM | Author: QUINN |
| Dept./Agy.: Local Property Tax | Analyst: Greg Albrecht |
| Subject: Homestead Exemption - Property Owned In Indivision | |

TAX EXEMPTIONS

OR SEE FISC NOTE LF RV

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Constitutional amendment to authorize the full homestead exemption for an owner in indivision who is occupying the homestead if the exemption had been allowed to such owner prior to June 20, 2003. (2/3 - CA13s1(A))

Current law grants the homestead exemption to property owned in indivision, but limits the exemption to the ownership interest of the person(s) occupying the home.

Proposed law grants the homestead exemption to the entire property owned in indivision if a homestead exemption had been allowed to the owner in division prior to June 20, 2003.

To be submitted at the statewide election on November 2, 2010.

| EXPENDITURES | 2010-11 | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 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 | 2010-11 | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 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 | |
| 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

The bill appears to expand the application of the homestead exemption to property value not now benefiting from the entire exemption. The number of cases affected by the bill and the aggregate property value affected are not known. Such cases may exist throughout the state, although the total amount of property value affected may be relatively small since some portion of each such properties is already receiving homestead exemption.

Local property tax collections in total may not be affected because millage adjustments may result from this change in homestead exemption policy. Reductions in property tax on these affected homes could be offset by increases on other properties.

Senate Dual Referral Rules
 13.5.1 >= \$500,000 Annual Fiscal Cost
 13.5.2 >= \$500,000 Annual Tax or Fee Change

House
 6.8(F) >= \$500,000 Annual Fiscal Cost
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk
H. Gordon Monk
Legislative Fiscal Officer