

Regular Session, 2010

SENATE BILL NO. 21

BY SENATOR MURRAY AND REPRESENTATIVE STIAES

TAX/AD VALOREM. Constitutional amendment to extend the time in which the owner of a homestead must reoccupy the homestead in order to retain the homestead's homestead exemption or its special assessment level from five years from December 31<sup>st</sup> of the year in which a disaster or emergency occurs to ten years from that date. (1/01/11)(2/3-CA13s1(A))

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A JOINT RESOLUTION

Proposing to amend Article VII, Section 18(G)(5) and Article VII, Section 20(A)(10) of the Constitution of Louisiana, relative to ad valorem property tax exemptions and assessments; to authorize an extension of the homestead exemption or a special assessment level on property damaged or destroyed in certain disasters or emergencies and provide for claiming the extension; 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 18(G)(5) and Article VII, Section 20(A)(10) of the Constitution of Louisiana, to read as follows:

§18. Ad Valorem Taxes

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| *   | * | * |
| (G) | * | * |
|     | * | * |

(5)(a) Any owner entitled to the special assessment level set forth in this

1 Paragraph who is unable to occupy the homestead on or before December thirty-first  
2 of a future calendar year due to damage or destruction of the homestead caused by  
3 a disaster or emergency declared by the governor shall be entitled to keep the special  
4 assessment level of the homestead prior to its damage or destruction on the repaired  
5 or rebuilt homestead provided the repaired or rebuilt homestead is reoccupied by the  
6 owner within five years from December thirty-first of the year following the disaster.  
7 The assessed value of the land and buildings on which the homestead was located  
8 prior to its damage shall not be increased above its assessed value immediately prior  
9 to the damage or destruction described in this Subparagraph. If the property owner  
10 receives a homestead exemption on another homestead during the same five-year  
11 period, the damaged or destroyed property shall not be entitled to keep the special  
12 assessment level, and the land and buildings shall be assessed in that year at the  
13 percentage of fair market value set forth in this constitution. In addition, the owner  
14 must also maintain the homestead exemption set forth in Article VII, Section  
15 20(A)(10) to qualify for the special assessment level in this Subparagraph.

16 **(b)(i) Any owner entitled to the special assessment level set forth in Item**  
17 **(a) of this Subparagraph who is unable to reoccupy his homestead within five**  
18 **years from December thirty-first of the year following the disaster shall be**  
19 **eligible for an extension of the special assessment level on the homestead for a**  
20 **period not to exceed two years. A homeowner shall only be eligible for this**  
21 **extension if the homeowner's damage claim is filed and pending in a formal**  
22 **appeal process with any federal, state, or local government agency or program**  
23 **offering grants or assistance for repairing or rebuilding damaged or destroyed**  
24 **homes as a result of the disaster. The homeowner shall apply for this extension**  
25 **of the special assessment level directly with the assessor of the parish in which**  
26 **the homestead is located. The assessor shall require the homeowner to provide**  
27 **official documentation from the government agency or program evidencing the**  
28 **homeowner's participation in the formal appeal process as provided by law.**

29 **(ii) After expiration of the extension authorized in Subitem (i) of this**

1 **Item, an assessor shall have the authority to grant on a case-by-case basis up to**  
2 **three additional one-year extensions of the special assessment level under**  
3 **circumstances prescribed by law.**

4 \* \* \*

5 §20. Homestead Exemption

6 Section 20.(A) \* \* \*

7 (10)(a) Any homestead receiving the homestead exemption that is damaged  
8 or destroyed during a disaster or emergency declared by the governor whose owner  
9 is unable to occupy the homestead on or before December thirty-first of a calendar  
10 year due to such damage or destruction shall be entitled to claim and keep the  
11 exemption by filing an annual affidavit of intent to return and reoccupy the  
12 homestead within ~~five~~ **ten** years from December thirty-first of the year following the  
13 disaster with the assessor within the parish or district where such homestead is  
14 situated prior to December thirty-first of the year in which the exemption is claimed.  
15 In no event shall more than one homestead exemption extend or apply to any person  
16 in this state.

17 **(b)(i) For homesteads qualifying for the homestead exemption under the**  
18 **provisions of Item (a) of this Subparagraph, after expiration of the five-year**  
19 **period, the owner of a homestead shall be entitled to claim and keep the**  
20 **exemption for a period not to exceed two additional years by filing an annual**  
21 **affidavit of intent to return and reoccupy the homestead with the assessor**  
22 **within the parish where such homestead is located prior to December thirty-**  
23 **first of the year in which the exemption is claimed. A homeowner shall only be**  
24 **eligible for this extension if the homeowner's damage claim to repair or rebuild**  
25 **the damaged or destroyed homestead is filed and pending in a formal appeal**  
26 **process with any federal, state, or local government agency or program offering**  
27 **grants or assistance for repairing or rebuilding damaged or destroyed homes**  
28 **as a result of the disaster. The assessor shall require the homeowner to provide**  
29 **official documentation from the government agency or program evidencing the**

1 **homeowner's participation in the formal appeal process as provided by law.**

2 **(ii) After expiration of the extension authorized in Subitem (i) of this**  
3 **Item, an assessor shall have the authority to grant on a case-by-case basis up to**  
4 **three additional one-year extensions of the homestead exemption under**  
5 **circumstances prescribed by law.**

6 \* \* \*

7 Section 2. Be it further resolved that this amendment shall become effective January  
8 1, 2011.

9 Section 3. Be it further resolved that this proposed amendment shall be submitted  
10 to the electors of the state of Louisiana at the statewide election to be held on November 2,  
11 2010.

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

16 To authorize continuation of the homestead exemption and the special  
17 assessment level for a homestead that has been destroyed or is uninhabitable  
18 due to a disaster for two years if the homeowner's claim for damages is  
19 pending in a formal appeal process with a governmental agency or program  
20 offering assistance for repairing or rebuilding homes damaged by the  
21 disaster; to authorize an assessor to grant up to three additional one-year  
22 extensions of the continuation of the homestead exemption and the special  
23 assessment level under circumstances prescribed by law.

24 (Amends Article VII, Section 18(G)(5) and Article VII, Section 20(A)(10))

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The original instrument and the following digest, which constitutes no part  
of the legislative instrument, were prepared by Riley Boudreaux.

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DIGEST

Murray (SB 21)

Present constitution authorizes homesteads whose owners are unable to occupy them on or before December 31<sup>st</sup> of a calendar year due to damage or destruction during a disaster or emergency declared by the governor to retain the exemption by filing an annual affidavit of

intent to return and reoccupy the homestead within five years from December 31<sup>st</sup> of the year following the disaster with the assessor within the parish or district where the homestead is situated.

Present constitution authorizes owners entitled to the "special assessment level" who are unable to occupy their homesteads on or before December 31<sup>st</sup> of a "future" calendar year due to damage or destruction of the homestead caused by a disaster or emergency declared by the governor to retain the "special assessment level" of the homestead prior to its damage or destruction on the repaired or rebuilt homestead provided the repaired or rebuilt homestead is reoccupied by the owner within five years from December 31<sup>st</sup> of the year following the disaster.

Proposed constitutional amendment authorizes an extension of the homestead exemption and/or the special assessment level for up to two years for owners who are unable to reoccupy their homesteads within the five-year period set forth above if the homeowner's damage claim is filed and pending in a formal appeal process with any federal, state, or local government agency or program offering grants or assistance for repairing or rebuilding damaged or destroyed homes as a result of the disaster.

The homeowner must apply for the extension directly with the assessor of the parish in which the homestead is located and such assessor must require the homeowner to provide official documentation from the government agency or program evidencing the homeowner's participation in the formal appeal process as provided by law.

After expiration of the two-year extension set forth above, authorizes an assessor to grant on a case-by-case basis up to three additional one-year extensions of the homestead exemption and/or the special assessment level under circumstances prescribed by law.

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Specifies submission of the amendment to the voters at the statewide election to be held on November 2, 2010.

Effective January 1, 2011.

(Amends Const. Art. VII, Secs. 18(G)(5) and 20(A)(10))

#### Summary of Amendments Adopted by Senate

##### Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the original bill.

1. Deletes an automatic 5-year extension of the homestead exemption and the special assessment level and substitutes the 2-year and three, year-by-year extensions set forth in the Digest above.