



**LEGISLATIVE FISCAL OFFICE  
Fiscal Note**

Fiscal Note On: **SB 88** SLS 26RS 14  
 Bill Text Version: **ORIGINAL**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

**Date:** March 11, 2026 2:34 PM **Author:** MILLER, G.  
**Dept./Agy.:** LA Tax Commission and Local Governments **Analyst:** Garrett Ordner  
**Subject:** Increase in Homestead Exemption for Ad Valorem Tax

TAX/AD VALOREM Page 1 of 1  
 OR SEE FISC NOTE LF RV See Note  
 Constitutional Amendment to authorize the local governing authority of a parish to provide an increase to the homestead exemption. (2/3-CA13s1(A))  
Present constitution provides a statewide homestead exemption of \$7,500 of assessed value.

Proposed constitutional amendment retains current constitution and authorizes parish governing authorities to add an additional exemption of up to \$22,500 for properties receiving the homestead exemption in their respective parishes for a total exemption of \$30,000. Proposed constitutional amendment provides that any decrease in ad valorem tax revenues pursuant to the proposed increase in the homestead exemption must be absorbed by taxing authorities.

To be submitted to the electors at the statewide election to be held on November 3, 2026.

EXPENDITURES	2026-27	2027-28	2028-29	2029-30	2030-31	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
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
REVENUES	2026-27	2027-28	2028-29	2029-30	2030-31	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	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>SEE BELOW</b>	\$0
<b>Annual Total</b>	<b>\$0</b>					<b>\$0</b>

**EXPENDITURE EXPLANATION**

There is no anticipated direct material effect on governmental expenditures as a result of this measure. It is expected by the LFO that increasing the homestead exemption will require local tax system adjustments that are closely related to the existing exemption with minimal resources required.

**REVENUE EXPLANATION**

Following statewide approval of this amendment, local governments may experience an indeterminable decrease in local tax revenues to the extent that they elect to increase the maximum homestead exemption. The proposed amendment gives parishes the unilateral authority to increase the homestead exemption by up to \$22,500, which would permanently reduce the local property tax base. The bill has no effect without further approval of local taxing authorities. However, should a parish authorize the maximum exemption, the homestead exemption would exempt the full value of properties with a fair market value up to \$300,000.

Even if every parish implements the maximum allowed additional homestead exemption, the revenue impacts cannot be estimated, as the full exemption would only apply to homesteads with a market value of \$300,000 or more (assessed value of \$30,000 or more), other exemptions notwithstanding.

For illustrative purposes, a homeowner receiving the full \$22,500 additional exemption, when multiplied by the 2025 statewide average millage of 105 mills, would see a tax reduction of \$2,362.50 per year. However, they would only receive the full benefit of the tax exemption if their homestead is worth at least \$300,000.

A significant change in local property tax collections may impact the local effort included in the Minimum Foundation Program (MFP) formula calculation, but any resulting impacts on state MFP funding allocations are indeterminable.

Senate Dual Referral Rules  
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}  
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House  
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}  
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

*Alan M. Boxberger*  
 Alan M. Boxberger  
 Legislative Fiscal Officer