

2024 Regular Session

HOUSE BILL NO. 368

BY REPRESENTATIVE HILFERTY

TAX/AD VALOREM TAX: Limits the frequency of reappraising real property for purposes of ad valorem property taxes

1 AN ACT

2 To amend and reenact R.S. 47:2331, relative to ad valorem property taxes; to limit the  
3 frequency of reappraisal and valuation of certain property for purposes of ad valorem  
4 property taxes; to provide for certain exceptions; to provide for effectiveness; and  
5 to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:2331 is hereby amended and reenacted to read as follows:

8 §2331. Reassessment and reappraisal of real and personal property; exceptions

9 A.(1) ~~On and after January 1, 1978, all assessments of real property shall be~~  
10 ~~based on a reassessment of all such real property; and such real property shall be~~  
11 ~~reappraised at least every four years thereafter and all assessments of personal~~  
12 ~~property shall be based on a reassessment of all such personal property, and such~~  
13 ~~personal property shall be reappraised every year thereafter.~~ Ad valorem taxes  
14 levied on personal property shall be based on the assessed value of such property.  
15 Personal property shall be reappraised and valued in accordance with the provisions  
16 of Article VII, Section 18 of the Constitution of Louisiana each year.

17 B.(1) Ad valorem taxes levied on real property shall be based on the assessed  
18 value of such property. Except as provided for in Paragraph (2) of this Subsection,  
19 real property shall be reappraised and valued in accordance with the provisions of

1 Article VII, Section 18 of the Constitution of Louisiana at intervals of not more than  
2 once every four years or at the direction of the Louisiana Tax Commission.

3 (2) Real property may be reappraised and valued more than once every four  
4 years if the assessed value of real property increases and the increase is attributable  
5 to construction on or improvements to the property during the four-year period, the  
6 property shall be reappraised based on the fair market value of the property using the  
7 same criteria used for similar properties in the neighborhood.

8 Section 2. This Act shall take effect and become operative on January 1, 2025, if and  
9 when the proposed amendment of Article VII of the Constitution of Louisiana contained in  
10 the Act which originated as House Bill No. \_\_\_\_ of this 2024 Regular Session of the  
11 Legislature is adopted at a statewide election and becomes effective.

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DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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HB 368 Original

2024 Regular Session

Hilferty

**Abstract:** Changes the requirement for the frequency of the reappraisal and valuation of real property from intervals of not more than four years to intervals of not more than *once* every four years or at the direction of the La. Tax Commission.

Present law (R.S. 47:2322) defines "real property" for purposes of determining fair market value as land and all things permanently affixed to the land and "personal property" as tangible property capable of being moved or removed from real property without substantial damage to the property itself or the real property from which it is capable of being removed. Personal property includes inventory, furniture, fixtures, machinery and equipment, and all process and manufacturing machinery and equipment.

Present constitution and present law requires property subject to ad valorem taxes to be listed on the assessment roles at its assessed value which is a percentage of its fair market value. Requires all property subject to taxation to be reappraised and valued at intervals of not more than four years. Present law requires personal property to be reappraised and valued each year and real property to be reappraised and valued at least every four years.

Proposed law retains present law as it relates to the frequency of reappraising and valuing personal property but changes the frequency of reappraising and valuing real property from intervals of not more than four years to intervals of not more than *once* every four years or at the direction of the La. Tax Commission.

Proposed law authorizes an exception to the limitation on reappraising and valuing real property more than once every four years if the assessed value of the property increases and the increase is attributable to construction on or improvements to the property during the four-year period. Requires the property to be reappraised based on the fair market value of the property using the same criteria used for similar properties in the neighborhood.

Effective if and when the proposed amendment of Article VII of the Constitution of La. contained in the Act which originated as House Bill No. \_\_\_\_ of this 2024 R.S. of the Legislature is adopted at a statewide election and becomes effective.

(Amends R.S. 47:2331)