

2026 Regular Session

HOUSE BILL NO. 217

BY REPRESENTATIVES CHANCE HENRY, BACALA, BAMBURG, BILLINGS, BRYANT, CHASSION, COX, FISHER, HEBERT, JACKSON, TRAVIS JOHNSON, MANDIE LANDRY, TERRY LANDRY, MARCELLE, MARTINEZ, MCMAHEN, WALTERS, WYBLE, AND YOUNG AND SENATORS BARROW, BOUDREAUX, JACKSON-ANDREWS, JENKINS, AND PRICE

1 AN ACT

2 To enact R.S. 47:1703.2, relative to ad valorem taxes; to provide for ad valorem property tax  
3 exemptions; to authorize parishes to grant ad valorem tax exemptions for certain  
4 property; to provide for administration of the exemptions; to provide for definitions;  
5 to provide for limitations and requirements; to authorize the promulgation of rules;  
6 to provide for applicability; to provide for effectiveness; and to provide for related  
7 matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 47:1703.2 is hereby enacted to read as follows:

10 §1703.2. Exemption; optional exemption for certain rehabilitated property

11 A. The purpose of this Section is to provide for implementation of the  
12 optional ad valorem tax exemption authorized pursuant to Article VII, Section 21(P)  
13 of the Constitution of Louisiana for blighted or derelict property that has been  
14 rehabilitated. If implemented by a parish, the exemption shall apply to all millages  
15 imposed within the parish and shall be subject to the conditions, requirements, and  
16 limitations established in this Section.

17 B. For purposes of this Section, the following terms shall have the meanings  
18 ascribed to them in this Subsection:

19 (1) "Blighted property" means any immovable property that has been  
20 declared or certified as blighted and declared a public nuisance by a court of  
21 competent jurisdiction or an administrative hearing officer acting in accordance with  
22 applicable law.

1                   (2) "Derelict property" means any building or other structure which has any  
 2                   of the following characteristics:

- 3                   (a) Is structurally unsafe.
- 4                   (b) Does not have adequate egress.
- 5                   (c) Constitutes a fire hazard.
- 6                   (d) Is otherwise dangerous to human life.
- 7                   (e) Because of existing use or condition, constitutes a hazard to public safety,  
 8                   health, or welfare by reason of inadequate maintenance, dilapidation, obsolescence,  
 9                   fire hazard, or abandonment.

10                   C. A parish governing authority may, by resolution, elect to implement the  
 11                   ad valorem tax exemption authorized in Article VII, Section 21(P) of the  
 12                   Constitution of Louisiana for blighted or derelict property that has been rehabilitated.  
 13                   Any parish governing authority that elects to implement the exemption shall  
 14                   establish all of the following:

- 15                   (1) A process by which a property owner may apply for the exemption.
- 16                   (2) Rehabilitation standards that a property must meet in order to qualify for  
 17                   the exemption.
- 18                   (3) Criteria for approving an application for the exemption.
- 19                   (4) Conditions for revocation of a previously approved exemption.
- 20                   (5) Any other policies or procedures as may be necessary for administration  
 21                   of the exemption.

22                   D. The terms of the exemption shall be as follows:

- 23                   (1) For residential property, not more than seventy-five percent of the  
 24                   assessed value of the property may be exempted from ad valorem taxation for a  
 25                   period not exceeding twenty years.
- 26                   (2) For a tract or lot of unimproved land, not more than twenty-five percent  
 27                   of the assessed value of the property may be exempted from ad valorem taxation for  
 28                   a period not exceeding ten years. In order to qualify for the exemption, a tract or lot  
 29                   of unimproved land shall be adjacent to a tract or lot upon which a residential or

1           commercial structure is situated. No property owner may be granted exemptions for  
2           more than two tracts or lots of unimproved land.

3           E. No property owner shall be eligible for any exemption authorized  
4           pursuant to this Section unless the owner holds title to the property identified in the  
5           application for the exemption.

6           F. The Louisiana Tax Commission may promulgate rules in accordance with  
7           the Administrative Procedure Act as are necessary to implement the provisions of  
8           this Section.

9           G. Notwithstanding any provision of this Section to the contrary, a parish or  
10           municipality may elect, by ordinance or resolution, to opt out of the property tax  
11           limitations established herein for properties that are:

12           (1) Located within a designated redevelopment area, blight elimination zone,  
13           or similar district established by the governing authority; and

14           (2) Subject to an adopted redevelopment plan that includes the use of  
15           property tax revenues to support public financing mechanisms, including but not  
16           limited to bonds, reimbursements, or other tools intended to address appraisal gaps  
17           or fund site preparation, infrastructure, or redevelopment costs.

18           H. For purposes of this Section, a redevelopment area may include any  
19           geographic area designated by the governing authority, including areas up to and  
20           including the full jurisdictional boundaries of the governing authority, as defined in  
21           the adopted redevelopment plan.

22           I. The governing authority may designate one or more public entities,  
23           nonprofit organizations, or qualified development entities to support the creation,  
24           implementation, or administration of redevelopment plans, to assist in accessing or  
25           deploying financing mechanisms authorized under such plans, and to facilitate or  
26           undertake redevelopment activities necessary to carry out such plans.

27           J. The duration, scope, and application of any such election shall be  
28           determined by the governing authority in accordance with the adopted  
29           redevelopment plan and applicable law.

1           K. Any governing authority or designated entity responsible for the  
 2           administration or investment of property tax revenues pursuant to a redevelopment  
 3           plan adopted under this Section that includes the use of such revenues to support the  
 4           redevelopment of blighted or formerly blighted properties shall be subject to  
 5           financial oversight, including periodic audits or financial reporting, in accordance  
 6           with applicable law or as determined appropriate by the governing authority.

7           Section 2. The provisions of this Act shall apply to tax years beginning on or after  
 8           January 1, 2027.

9           Section 3. This Act shall become effective on January 1, 2027, but only if the  
 10          proposed amendment of Article VII of the Constitution of Louisiana contained in the Act  
 11          which originated as House Bill No. 214 of this 2026 Regular Session of the Legislature is  
 12          adopted at a statewide election and becomes effective.

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 SPEAKER OF THE HOUSE OF REPRESENTATIVES

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 PRESIDENT OF THE SENATE

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 GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_