



OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note

Fiscal Note On: **HB 37** HLS 051ES 316
Bill Text Version: **ORIGINAL**
Opp. Chamb. Action:

Sub. Bill For.:
Proposed Amd.:

Date: November 8, 2005 5:32 PM	Author: ARNOLD
Dept./Agy.: Local Government	
Subject: Homestead Exemption	Analyst: Shawn Dietrich

TAX/AD VALOREM TAX

OR DECREASE LF RV See Note

Page 1 of 1

Establishes certain procedures in the event of public calamity or disaster for the assessment of damaged property, the deferment of tax payments, and the extension of the homestead exemption (Item #40)

Purpose of Bill: Continues the homestead exemption and special assessment level for any qualifying homestead whose owner is unable to occupy the homestead on or before December 31st of the calendar year due to overflow, flood, or damage by rain, wind, hurricane, tornado, or other disaster defined in the Louisiana Homeland Security and Emergency Assistance and Disaster Act. Owners must file with their assessors an affidavit of intent to return and reoccupy the homestead within five years from December 31st of the year following the disaster. Owners may receive only one homestead exemption. Requires assessors to assess such damaged property and prepare assessment lists, supplemental rolls, or change orders. Provides for the appeal of assessments by taxpayers and taxing bodies to local review boards, the Louisiana Tax Commission, and the court system.

EXPENDITURES	2005-06	2006-07	2007-08	2008-09	2009-10	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	INCREASE	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2005-06	2006-07	2007-08	2008-09	2009-10	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	DECREASE	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION
This bill could increase local government expenditures by an indeterminate amount.

Assessors’ expenditures could increase due to the preparation of assessment lists, supplemental rolls, or change orders associated with such damaged property. Also, the number of appeals by taxpayers and taxing bodies could increase, which may result in an increase in expenditures for local review boards, and possibly the court system.

REVENUE EXPLANATION
This bill could decrease local government revenues by an indeterminate amount.

The bill provides for an assessment of property flooded by water or damaged by disaster as defined in state law, but does not provide for an adjustment to the ad valorem tax millages. If the assessment results in an overall decrease in property values in a parish or district, tax revenues in that parish or district will decrease. The amount of this decrease cannot be calculated at this time.

The bill also allows home owners already receiving the homestead exemption to continue to receive the exemption if their homesteads are unoccupied due to such flood or damage. They must file an affidavit of intent to reoccupy the homestead within 5 years of December 31st of the year following the disaster. The bill allows home owners already receiving a special assessment level to keep the special assessment level even though they cannot occupy their home due to damage or destruction before December 31st of the calendar year. The owner must reoccupy the repaired homestead within five years of December 31st of the year following the disaster. These provisions of the bill should have no impact on revenues.

Senate

☐ 13.5.1 >= \$500,000 Annual Fiscal Cost

☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

Dual Referral Rules

House

☐ 6.8(F) >= \$500,000 Annual Fiscal Cost

☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

David K. Greer
Director, Performance Audit