



OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note

Fiscal Note On: **SB 103** SLS 051ES 478
Bill Text Version: **ENGROSSED**
Opp. Chamb. Action:
Sub. Bill For.: SB 11
Proposed Amd.:

Date: November 16, 2005 8:21 AM	Author: QUINN
Dept./Agy.: Local Government	
Subject: Assessment of Damaged Property	Analyst: Shawn Dietrich

TAX/AD VALOREM EG INCREASE LF EX See Note Page 1 of 2
Changes assessment and collection procedures for property damaged or destroyed by disaster or emergency declared by the governor.

Purpose of Bill: Authorizes taxing authorities or parishes with populations over 450,000 according to the most recent decennial census to direct their assessors and tax collectors to assess and collect taxes on property damaged or destroyed during a disaster or emergency declared by the governor for the tax period in which the damage occurred. Requires the taxing authorities or parishes to hold a public hearing and publish notice of the hearing according to certain requirements. Requires the taxing authorities or parishes to provide notice of the hearing to assessors, and to issue a press release to certain newspapers and to area broadcast media. Provides that the assessments must be reflected on the general assessment roll, on supplemental rolls, or in change orders. Requires assessors to submit an amended grand recap if change orders are used. Provides for the appeal of assessments by taxpayers. (Continued on p. 2.)

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 would increase local government expenditures by an indeterminate amount.

Assessors’ expenditures could increase due to the preparation of assessment lists, supplemental rolls, or change orders and amended grand recaps associated with assessing property damaged or destroyed during a disaster or gubernatorially declared emergency. Also, the number of appeals by taxpayers could increase, which may cause an increase in expenditures for district courts.

In addition, according to an official with the Louisiana Municipal Association for a similar bill, there may be a minimal increase in expenditures for taxing authorities or parishes due to issuing press releases and providing notice to assessors (e.g., postage). The bill also requires that the rates charged by the newspapers for the additional publication requirements for public hearings cannot exceed those rates charged for regular commercial advertising. According to the Lafayette Parish Assessor for a similar bill, each taxing body in Lafayette Parish would pay an additional \$452 per public hearing. Likewise, taxing bodies in Baton Rouge and Shreveport would pay an additional \$164 and \$980, respectively. We are not able to determine the maximum increase in expenditures statewide.

REVENUE EXPLANATION

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

The bill allows provides for an assessment of property damaged or destroyed during a disaster or gubernatorially declared emergency, but does not provide for an adjustment to ad valorem tax millages. If the assessment results in an overall decrease in property values for 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 extends the deadline for completion and filing of tax rolls and the deadline for payment of those taxes, but these extensions have no fiscal impact.

Senate	Dual Referral Rules	House	 David K. Greer Director, Performance Audit
<input type="checkbox"/> 13.5.1 >= \$500,000 Annual Fiscal Cost		<input type="checkbox"/> 6.8(F) >= \$500,000 Annual Fiscal Cost	
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease	



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CONTINUED EXPLANATION from page one: Page 2 of 2
Provides that the assessments are not considered reassessments and do not result in the adjustment of ad valorem tax millages. As an alternative, authorizes the taxing authorities or parishes to direct that ad valorem taxes due for the year in which the damage occurred be prorated upon application of the property owner. Provides for the calculation of the probation. Extends the deadline for the filing of 2005 tax rolls (2006 tax rolls in Orleans Parish) to March 31, 2006. Extends the deadline for the payment of 2005 taxes (2006 taxes in Orleans Parish) to the latter of 45 days after certification and approval of the tax rolls by the LA Tax Commission or December 31, 2005.