



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **SB 115** SLS 25RS 6
Bill Text Version: **ORIGINAL**
Opp. Chamb. Action:
Proposed Amd.:
Sub. Bill For.:

Date: April 10, 2025	12:41 PM	Author: DUPLESSIS
Dept./Agy.: Local Government/LA Tax Commission		
Subject: Adjusts the AVT special assessment income limit		Analyst: Deborah Vivien

TAX/TAXATION OR DECREASE LF RV See Note Page 1 of 1

Constitutional amendment to extend eligibility for the special assessment level for residential property receiving the homestead exemption to certain persons. (2/3 - CA13s1(A)) (1/1/26)

Present constitution authorizes the assessed value of property receiving the homestead exemption and owned and occupied by certain taxpayers to be frozen at the assessment in place when certain eligibility criteria is attained and verified, including federal adjusted gross income below \$100,000 annually, adjusted for inflation beginning in Tax Year 2026. Eligibility is limited to those 65+, veterans with a service-related disability of 50% or more, members (spouses) of armed forces or national guard killed in action, missing in action or prisoner of war, and the permanently and totally disabled.

Proposed constitutional amendment retains current law regarding eligibility criteria for the special assessment freeze and expands special assessment eligibility to a homeowner with an income under the federal poverty guidelines as established by the US Department of Health and Human Services.

Effective with Tax Year 2026 upon voter approval at the statewide election to be held on November 15, 2025.

EXPENDITURES	2025-26	2026-27	2027-28	2028-29	2029-30	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	SEE BELOW	SEE BELOW	SEE BELOW	\$0
Annual Total	\$0	\$0				\$0

REVENUES	2025-26	2026-27	2027-28	2028-29	2029-30	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	DECREASE	DECREASE	DECREASE	\$0
Annual Total	\$0	\$0				\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. Local assessors may incur additional costs due to the required annual renewal of the exemption, including verification of proof of income.

The November 15, 2025, election date is currently scheduled as a local election. The Secretary of State reports that it would require an additional \$3 M SGF in FY 26 to convert to a statewide election, though this is not directed in the bill.

REVENUE EXPLANATION

The bill increases the eligibility pool for the special assessment to include all properties with homeowners with income under the federal poverty guidelines, though the type of income documentation required is not specified by the bill. As income data related to property ownership is not readily available, the magnitude of the repeal of the income requirement cannot be determined. However, the bill can only serve to decrease ad valorem tax revenue collections as a certain number of properties immediately become eligible for the special assessment on Tax Year 2026 bills and will forgo any increases in assessed value in the future. Local revenue will decrease for any entity funded by a millage that is charged against a special assessment property.

Tax Year 2024 was a quadrennial reassessment year so the next major impact from the bill would be expected with Tax Year 2028 payments.

A significant change in local property tax collections could impact the local effort included in the MFP calculation, which in turn could impact SGF, depending on the local taxing structure.