



**LEGISLATIVE FISCAL OFFICE  
Fiscal Note**

Fiscal Note On: **SB 7** SLS 26RS 19  
 Bill Text Version: **ORIGINAL**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

**Date:** March 6, 2026 11:24 AM **Author:** KLEINPETER  
**Dept./Agy.:** Local Government/LA Tax Commission **Analyst:** Garrett Ordner  
**Subject:** Option to increase the homestead exemption

TAX/AD VALOREM OR SEE FISC NOTE LF RV Page 1 of 1  
 Constitutional Amendment to authorize a parish governing authority to increase the homestead exemption. (2/3- CA13s1 (A))(1/1/27)

Present constitution provides a statewide homestead exemption of \$7,500 of assessed value. Additional graduated exemptions are authorized for disabled veterans and to first responders based on the \$7,500 homestead exemption amount.

Proposed constitutional amendment retains current constitution and authorizes parish governing authorities to add up to \$12,500 to the \$7,500 homestead exemption in their respective parishes for a total exemption of \$20,000.

To be submitted to the electors at the statewide election to be held on November 3, 2026, and effective with tax year 2027 if approved.

EXPENDITURES	2026-27	2027-28	2028-29	2029-30	2030-31	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	\$0	\$0	\$0	\$0
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

  

REVENUES	2026-27	2027-28	2028-29	2029-30	2030-31	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	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>SEE BELOW</b>	\$0
<b>Annual Total</b>	<b>\$0</b>					<b>\$0</b>

**EXPENDITURE EXPLANATION**

There is no anticipated direct material effect on governmental expenditures as a result of this measure. It is expected by the LFO that increasing the homestead exemption will require local tax system adjustments that are closely related to the existing exemption with minimal resources required.

**REVENUE EXPLANATION**

Following statewide approval of this amendment, local governments may experience an indeterminable decrease in local tax revenues to the extent that they elect to increase the maximum homestead exemption. The proposed amendment gives parishes the unilateral authority to increase the homestead exemption by up to \$12,500, which would permanently reduce the local property tax base. The bill has no effect without further approval of local taxing authorities. However, should a parish authorize the maximum exemption, the homestead exemption would exempt the full value of properties with a fair market value up to \$200,000. The new exemption, if approved and maximized, would surpass that available to 50%-69% disabled veterans (\$10,000 total), 70%-99% disabled veterans (\$12,000 total) and first responders (\$10,000 total) since those would still be based on a \$7,500 exemption.

Even if every parish implements the maximum allowed additional homestead exemption, the revenue impacts cannot be estimated, as the full exemption would only apply to homesteads with a market value of \$200,000 or more (assessed value of \$20,000 or more), other exemptions notwithstanding.

For illustrative purposes, a homeowner receiving the full \$12,500 additional exemption, when multiplied by the 2025 statewide average millage of 105 mills, would see a tax reduction of \$1,312.50 per year. However, they would only receive the full benefit of the tax exemption if their homestead is worth at least \$200,000.

Note that the Louisiana constitution requires parish assessors to reappraise and value property at least every four years, and millages are subsequently adjusted to maintain tax revenues consistent with the prior year despite changes to the tax base. If a parish assessor were to reappraise and value property upon implementation of this exemption, and millages were subsequently adjusted upward, the revenue impacts of the exemption would be borne by the taxpayers rather than being absorbed by the taxing authority.

A significant change in local property tax collections may impact the local effort included in the Minimum Foundation Program (MFP) formula calculation, but any resulting impacts on state MFP funding allocations are indeterminable.

Senate      Dual Referral Rules  
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}  
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House  
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}  
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

*Alan M. Boxberger*  
 Alan M. Boxberger  
 Legislative Fiscal Officer