RÉSUMÉ DIGEST

ACT 167 (HB 570) **2026 Regular Session** **Wilder**

Existing law requires an automatic adjustment in millage rates in response to changes in the tax base resulting from a statewide reassessment every four years or changes in the homestead exemption, with adjustments made to ensure taxes collected in the year after reappraisal are equal to the amount of taxes collected in the year prior to reappraisal.

Existing law authorizes, with a 2/3 vote, a taxing authority to increase a rate up to the maximum authorized rate without further voter approval.

Prior law provided that, if a taxing authority does not increase its millage rate up to the maximum authorized rate from the prior year's reassessment before the next reassessment, the taxing authority permanently loses the ability to increase its rate to the maximum authorized rate from the prior year's reassessment in the future.

New law allows a taxing authority to continue to levy a lower millage rate without subsequently losing its ability to adjust to the maximum authorized millage rate from a prior year's reassessment.

New law reduces the adjusted maximum millage rate to the rate established for the 2026 ad valorem tax year or 2025 ad valorem tax year in Orleans Parish if a taxing authority did not levy maximum millage rates prior to the 2024 reassessment year or 2025 reassessment year in Orleans Parish.

New law requires that, if an immediate subsequent reassessment has an increased taxable value, then the adjusted maximum millage rate is reduced to the maximum authorized millage rate for the 2024 reassessment year or the 2023 reassessment year in Orleans Parish, as provided by the constitution and approved by the taxing authority.

Existing law requires a tax recipient body to adopt an ordinance or resolution to designate the adjusted millage rate.

Prior law required a tax recipient body to adopt a separate ordinance or resolution each time a millage rate was increased up to the maximum authorized millage rate by a 2/3 vote and sets forth the increased millage rate and the adjusted millage rate.

New law requires the mandatory adoption of the separate ordinance or resolution by a tax recipient body prior to levying and collecting an increased millage.

New law applies to taxable years beginning on or after Jan. 1, 2027.

Effective January 1, 2027, if and when the proposed amendment of Article VII of the Constitution of La. contained in Act No. 273 of this 2026 R.S. of the Legislature is adopted at a statewide election and becomes effective.

(Amends R.S. 47:1705(B)(1)(a), (b)(i), and (2)(b))