LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **SB 337** SLS 12RS 369
Bill Text Version: **ENROLLED**
Opp. Chamb. Action:
Proposed Amd.:
Sub. Bill For.:

Date: June 4, 2012 8:39 AM
Author: AMEDEE
Dept./Agy.: LA Tax Commission / Local Assessors
Analyst: Greg Albrecht
Subject: Enhanced Homestead Exemption For Disabled Veterans

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Constitutional amendment to provide for the property tax exemption for certain disabled veterans to apply to the spouses of such veterans if the veterans passed away prior to the enactment of the exemption. (1/1/13)

Current law provides a $7,500 (assessed value) homestead exemption to all homesteads, and an additional $7,500 (assessed value) exemption for the homesteads of veterans with a 100% service-connected disability. Surviving spouses retain this enhanced exemption if it was in effect prior to the veteran's death.

Proposed law extends this enhanced exemption to surviving spouses even if the enhanced exemption was not in effect prior to the veteran's death. Effective January 1, 2013 and applicable to exemptions adopted in parishes before and after the effective date.

To be submitted at the statewide election on November 6, 2012.

EXPENDITURES	**2012-13**	**2013-14**	**2014-15**	**2015-16**	**2016-17**	**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**
Annual Total	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

REVENUES	**2012-13**	**2013-14**	**2014-15**	**2015-16**	**2016-17**	**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	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	**$0**
Annual Total	**$0**					**$0**

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

REVENUE EXPLANATION

According to the LA Tax Commission, local assessors have indicated that there are approximately 1,800 enhanced homestead exemptions in effect for disabled veterans and or their surviving spouses. The enhanced exemption base is less than 0.2% of all homestead exemptions in the state, and the particular situation addressed by this bill would be a very small addition to this base. The applicability provision of the bill, "...shall apply to exemptions adopted in parishes before and after its effective date.", also suggests that the bill may be codifying existing practice or situations where the enhanced exemption was granted to a surviving spouse even though the eligible veteran died before the enhanced exemption was in effect on the property. Some or all of these situations could already be included in the count above. Regardless, it seems likely that the bill would extend enhanced homestead exemption to only a very small number of properties.

Senate	Dual Referral Rules	House
☐ 13.5.1 >= $100,000 Annual Fiscal Cost {S&H}		☐ 6.8(F)1 >= $500,000 Annual Fiscal Cost {S}
☐ 13.5.2 >= $500,000 Annual Tax or Fee Change {S&H}		☐ 6.8(G) >= $500,000 Tax or Fee Increase or a Net Fee Decrease {S}

H. Gordon Monk

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Legislative Fiscal Officer