SLS 13RS-185 ORIGINAL

Regular Session, 2013

SENATE BILL NO. 104

BY SENATOR CROWE

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Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

TAX/AD VALOREM. Constitutional amendment to authorize homeowners, ages sixty-five years or older with financial hardship, to postpone the payment of ad valorem taxes on their homestead until death. (2/3 - CA13sl(A))

A JOINT RESOLUTION

Proposing to amend Article VII, Section 25(A)(1) and (F) of the Constitution of Louisiana, relative to ad valorem taxes; to provide for the postponement of the payment of ad valorem taxes in certain circumstances; to provide for postponement of taxes on certain homesteads; to provide for eligibility for claiming the postponement; to provide for an effective date; and to specify an election for submission of the proposition to electors and provide a ballot proposition.

Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members elected to each house concurring, that there shall be submitted to the electors of the state, for their approval or rejection in the manner provided by law, a proposal to amend Article VII,

Section 25(A)(1) and (F) of the Constitution of Louisiana, to read as follows:

§25. Tax Sales

Section 25.(A) Tax Sales. (1) There On and after January 1, 2015, there shall be no forfeiture of property for nonpayment of taxes. However, except as provided in Section F of this Section, at the expiration of the year in which the taxes are due, the collector, without suit, and after giving notice to the delinquent in the manner provided by law, shall advertise for sale the property on which the taxes

are due. The advertisement shall be published in the official journal of the parish or municipality, or, if there is no official journal, as provided by law for sheriffs' sales, in the manner provided for judicial sales. On the day of sale, the collector shall sell the portion of the property which the debtor points out. If the debtor does not point out sufficient property, the collector shall sell immediately the least quantity of property which any bidder will buy for the amount of the taxes, interest, and costs. The sale shall be without appraisement. A tax deed by a tax collector shall be prima facie evidence that a valid sale was made.

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(F) Postponement of Taxes. The On and after January 1, 2015, the legislature may postpone the payment of taxes, but only in the following circumstances:

(1) In cases of overflow, general conflagration, general crop destruction, or other public calamity, and may provide for the levying, assessing, and collecting of such postponed taxes. In such case, the legislature may authorize the borrowing of money by the state on its faith and credit, by bond issue or otherwise, and may levy taxes, or apply taxes already levied and not appropriated, to secure payment thereof, in order to create a fund from which loans may be made through the Interim Emergency Board to the governing authority of the parish where the calamity occurs. The money loaned shall be applied to and shall not exceed the deficiency in revenue of the parish or a political subdivision therein or of which the parish is a part, caused by postponement of taxes. No loan shall be made to a parish governing authority without the approval of the Interim Emergency Board.

(2)(a) On and after January 1, 2015, in cases where a person of the age of sixty-five or older has a valid homestead exemption pursuant to Article VII, Section 20 and has been granted a special assessment pursuant to Article VII, Section 18(G), the tax assessor shall postpone the collection of taxes upon the application of a taxpayer who has an annual household income that does not exceed two hundred and fifty percent of the current federal poverty guidelines,

as established by the federal office of management and budget, for the year in

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2 which the application is made. 3 (b) In cases where the taxes have been postponed pursuant to Subparagraph (F)(2)(a) of this Section, the deferred taxes on the homestead plus judicial interest shall be due upon the death of the decedent or the death of the 5 surviving spouse if the homestead is community property. 6 7 8 Section 2. Be it further resolved that this proposed amendment shall be submitted 9 to the electors of the state of Louisiana at the statewide election to be held on November 4, 10 2014. 11 Section 3. Be it further resolved that on the official ballot to be used at said election 12 there shall be printed a proposition, upon which the electors of the state shall be permitted 13 to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as 14 follows: Do you support an amendment, to become effective January 1, 2015, to 15 postpone the payment of ad valorem taxes on a homestead in cases where the 16 taxpayer is at least sixty-five years of age, has a household income that does 17 not exceed 250% of the current federal poverty guidelines, and makes 18 19 application to the tax assessor for the postponement? The postponed tax plus judicial interest will be due upon the death of the owner of the homestead or 20 21 the death of the surviving spouse in cases where the homestead is community 22 property. 23 (Amends Article VII, Section 25(A)(1) and (F))

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Carla S. Roberts.

DIGEST

<u>Present constitution</u> provides that the legislature may postpone the payment of taxes, but only in cases of overflow, general conflagration, general crop destruction, or other public calamity, and may provide for the levying, assessing, and collecting of such postponed taxes.

<u>Proposed constitutional amendment</u> provides, effective January 1, 2015, for the postponement of the payment of ad valorem taxes on a homestead in cases where the

taxpayer is at least sixty-five years of age, has a household income that does not exceed 250% of the current federal poverty guidelines, and makes application to the tax assessor for the postponement.

<u>Proposed constitutional amendment</u> provides that the postponed tax plus judicial interest will be due upon the death of the owner of the homestead.

<u>Proposed constitutional amendment</u> extends the postponement of taxes to the surviving spouse if the homestead is community property.

Specifies submission of the amendment to the voters at the statewide election to be held on November 4, 2014.

(Amends Article VII, Section 25(A)(1) and (F))