



OFFICE OF LEGISLATIVE AUDITOR

Fiscal Note

Fiscal Note On: HB 466 HLS 05RS 1131
Bill Text Version: ORIGINAL
Opp. Chamb. Action:
Sub. Bill For.:
Proposed Amd.:

Date: April 29, 2005 10:48 AM
Author: BURNS
Dept./Agy.: Local government
Subject: Homestead Exemption
Analyst: Shawn Dietrich

TAX/AD VALOREM TAX OR +\$116,000 GF EX See Note Page 1 of 1
(Constitutional Amendment) Provides for changes in the special assessment level

Purpose of Bill: Proposes an amendment to the Louisiana Constitution that deletes the requirement that persons aged 65 or older must meet certain income requirements to qualify for a special assessment level, which caps the assessed value of properties receiving a homestead exemption and prevents any increases in those values. Requires the proposed amendment to be submitted at a statewide election held on November 7, 2006.

Table with 7 columns: EXPENDITURES, 2005-06, 2006-07, 2007-08, 2008-09, 2009-10, 5-YEAR TOTAL. Rows include State Gen. Fd., Agy. Self-Gen., Ded./Other, Federal Funds, Local Funds, and Annual Total.

Table with 7 columns: REVENUES, 2005-06, 2006-07, 2007-08, 2008-09, 2009-10, 5-YEAR TOTAL. Rows include State Gen. Fd., Agy. Self-Gen., Ded./Other, Federal Funds, Local Funds, and Annual Total.

EXPENDITURE EXPLANATION

This bill could increase state expenditures by \$116,000 in fiscal year 2006-07.

According to the Secretary of State's office, the total cost of placing the proposed amendment on the November 7, 2006, ballot and publishing the proposal in the 64 official parish journals is about \$116,000. This cost would be prorated among all governing authorities that have items on the ballot. Without knowing specific details of how many governing authorities have items on the ballot or the number of precincts involved, a more specific estimate cannot be calculated.

REVENUE EXPLANATION

This bill would limit the potential increase in future local government revenues by an indeterminate amount.

Although this bill caps the assessed values of qualifying properties, it does not reduce current tax revenues. Instead, it decreases the possibility of additional future revenues. The values of these properties cannot be increased, therefore taxes would continue to be imposed on the capped values instead of on possible higher values that could have resulted from reassessment. As a result, local taxing bodies would not realize any additional revenues that could have been collected on the higher assessed values.

Senate
Dual Referral Rules
[] 13.5.1 >= \$500,000 Annual Fiscal Cost
[] 13.5.2 >= \$500,000 Annual Tax or Fee Change

House
[] 6.8(F) >= \$500,000 Annual Fiscal Cost
[] 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

Signature of David K. Greer
David K. Greer
Director, Performance Audit