

Regular Session, 2008

SENATE BILL NO. 609

BY SENATOR CROWE

TAX/AD VALOREM. To require tax recipient bodies to adopt a third ordinance or resolution levying millages which have been "rolled forward" by a 2/3's vote of the tax recipient body. (gov sig)

1 AN ACT

2 To amend and reenact R.S. 47:1705(B)(1) and (2), relative to ad valorem property tax; to
3 require certain procedures of tax recipient bodies before millages may be adjusted
4 without further voter approval; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 47:1705(B)(1) and (2) is hereby enacted to read as follows:

7 §1705. Information supplied to assessor and legislative auditor by tax recipient
8 agencies; additional notices

9 * * *

10 B.(1) Increases in the millage rate in excess of the rates established as
11 provided by ~~Paragraph (B) of Section 23 of Article VII, Section 23(B)~~ of the
12 Constitution of Louisiana, but not in excess of the prior year's maximum authorized
13 millage rate may be levied by two-thirds vote of the total membership of a taxing
14 authority without further voter approval but only after a public hearing held in
15 accordance with the open meetings law.

16 (2) In order to accomplish this result, the following shall be mandatory:

17 (a) Each tax recipient body shall adopt an ordinance or resolution which shall

1 set forth and designate the adjusted millage rate as required by Paragraph B of
2 Section 23 of Article VII of the Constitution of Louisiana.

3 (b) Each tax recipient body shall adopt another separate ordinance or
4 resolution which shall provide for such millage rate increases by two-thirds vote and
5 shall set forth and designate not only the increased millage rate but also the adjusted
6 millage rate as required in Subparagraph (a) above and by Paragraph B of Section
7 23 of Article VII of the Constitution of Louisiana.

8 **(c) After adoption of the separate ordinance or resolution provided for**
9 **in Subparagraph (b) of this Paragraph setting forth the increased millage rate**
10 **and the adjusted millage rate, the tax recipient body shall adopt a third**
11 **ordinance or resolution levying the tax for the tax year, which shall in no event**
12 **exceed such increased millage rate.**

13 * * *

14 Section 2. This Act shall become effective upon signature by the governor or, if not
15 signed by the governor, upon expiration of the time for bills to become law without signature
16 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
17 vetoed by the governor and subsequently approved by the legislature, this Act shall become
18 effective on the day following such approval.

The original instrument and the following digest, which constitutes no part
of the legislative instrument, were prepared by Riley Boudreaux.

DIGEST

Present constitution prohibits the total amount of ad valorem taxes collected by a tax recipient body in the year in which reappraisal occurs from increasing or decreasing because of a reappraisal above or below the total amount of ad valorem taxes collected by that tax recipient body in the year preceding reappraisal. To accomplish this result, millages must be rolled back if ad valorem tax will increase so that the same amount of taxes will be collected despite the increased value of reappraised property. The millages as fixed by the "roll back" remain in effect unless:

- (1) Additional or increased millages are levied as provided by law.
- (2) Additional property is placed on the tax rolls.
- (3) The tax recipient body "rolls forward" the millages with a 2/3's vote in excess of the "adjusted millage" (i.e., the lowered millage), but not in excess of the prior year's maximum.

Present law requires that the "roll forward" be accomplished as follows:

1. The tax recipient body must adopt an ordinance or resolution which sets forth the "adjusted millage rate" (i.e., the lowered millage rate because of the increase in appraised value).
2. The tax recipient body must adopt another separate ordinance or resolution which must set forth not only the millage rate "rolled forward" by two-thirds vote, but also the "adjusted millage rate" (i.e., the lowered millage because of the increase in appraised value).

Proposed law requires the tax recipient body to adopt yet a third ordinance or resolution levying the tax for the tax year, which in no event may exceed the "rolled forward" millage rate.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Adds R.S. 47:1705(B)(2)(c))