

2018 Regular Session

HOUSE BILL NO. 353

BY REPRESENTATIVE IVEY

TAX/AD VALOREM TAX: (Constitutional Amendment) Provides with respect to the classification and valuation of property for purposes of ad valorem taxation

1 A JOINT RESOLUTION

2 Proposing to amend Article VII, Section 18(B) of the Constitution of Louisiana, to provide

3 relative to ad valorem taxation; to require the establishment of classifications of and

4 fair market value percentages for property subject to tax in law; to require certain

5 millage adjustments associated with implementation of any changes to the

6 classifications or fair market value percentages for property; to provide for

7 effectiveness; to provide for submission of the proposed amendment to the electors;

8 and to provide for related matters.

9 Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members

10 of each house concurring, that there shall be submitted to the electors of the state of

11 Louisiana, for their approval or rejection in the manner provided by law, a proposal to

12 amend Article VII, Section 18(B) of the Constitution of Louisiana, to read as follows:

13 §18. Ad Valorem Taxes

14 Section 18.

15 * * *

16 (B) Classification. (1) The classifications of property subject to ad valorem

17 taxation and the percentage of fair market value applicable to each classification for

18 the purpose of determining assessed valuation ~~are as follows:~~

Classifications	Percentages
1. Land	10%

- 1 2. ~~Improvements for residential purposes~~ 10%
- 2 3. ~~Electric cooperative properties, excluding land~~ 15%
- 3 4. ~~Public service properties, excluding land~~ 25%
- 4 5. ~~Other property~~ 15%

5 shall be established by law, which shall include provisions to ensure the equitable
 6 assessment of properties statewide, and which shall be enacted by a specific
 7 legislative instrument which receives a favorable vote of two-thirds of the elected
 8 members of each house of the legislature. The legislature may enact laws defining
 9 electric cooperative properties and public service properties.

10 (2) The total amount of ad valorem taxes collected by any taxing authority
 11 in the first tax year which begins after an enactment by the legislature that changes
 12 the classifications of or fair market values for property assessments shall not be
 13 increased or decreased, as a result of the enactment, above or below the amount of
 14 ad valorem taxes collected in the year preceding the enactment. To accomplish this
 15 result, it shall be mandatory for each affected taxing authority to adjust millages
 16 upwards or downwards without regard to millage limitations otherwise contained in
 17 this constitution. The maximum authorized millages shall be increased or decreased
 18 in proportion to the amount of adjustment upward or downward. Thereafter, the
 19 millages shall remain in effect unless changed as permitted by this constitution. In
 20 no way shall the provisions of this Subparagraph be interpreted to affect the
 21 imposition and collection of revenue from a new millage or the renewal of a millage.

22 * * *

23 Section 2. Be it further resolved that this proposed amendment shall be submitted
 24 to the electors of the state of Louisiana at the statewide election to be held on November 6,
 25 2018.

26 Section 3. Be it further resolved that the provisions of the amendment contained in
 27 this Joint Resolution shall become effective on January 1, 2019.

28 Section 4. Be it further resolved that on the official ballot to be used at the election,
 29 there shall be printed a proposition, upon which the electors of the state shall be permitted

1 to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as
2 follows:

3 Do you support an amendment to require the establishment of property
4 classifications and fair market value percentages in law for purposes of
5 property assessments for ad valorem tax? (Effective January 1, 2019)
6 (Amends Article VII, Section 18(B))

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 353 Original

2018 Regular Session

Ivey

Abstract: Relative to ad valorem property tax, changes authority for the establishment of property classifications and fair market value percentages from the constitution to as established by law.

Present constitution authorizes the levy of ad valorem taxes on property within La.

Present constitution provides for the classifications of property and percentages of fair market value to be used in the assessment of property for purposes of ad valorem property taxes.

Proposed constitutional amendment changes present constitution by removing the determination of classifications of property and percentages of fair market value to be used in the assessment of property from the constitution to a requirement that it be established by law. One-time millage adjustments are required in instances where classifications of property and percentages of fair market value are changed so as to ensure the same amount of revenue for taxing authorities.

Provides for submission of the proposed amendment to the voters at the statewide election to be held Nov. 6, 2018.

Effective Jan. 1, 2019.

(Amends Const. Art. VII, §18(B))