HLS 11RS-695 ORIGINAL

Regular Session, 2011

HOUSE BILL NO. 385

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BY REPRESENTATIVE HENDERSON

TAX EXEMPTIONS/HOMESTEAD: (Constitutional Amendment) Increases the homestead exemption and provides for adjustment of the exemption after reappraisal

A JOINT RESOLUTION

2 Proposing to amend Article VII, Section 20(A)(1) of the Constitution of Louisiana, relative 3 to the homestead exemption; to increase the homestead exemption; to provide for 4 adjustment of the homestead exemption after reappraisal; to provide for submission 5 of the proposed amendment to the electors; to provide for an effective date; and to 6 provide for related matters. 7 Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members 8 elected to each house concurring, that there shall be submitted to the electors of the state of 9 Louisiana, for their approval or rejection in the manner provided by law, a proposal to 10 amend Article VII, Section 20(A)(1) of the Constitution of Louisiana, to read as follows: 11 §20. Homestead Exemption 12 Section 20.(A) Homeowners. 13 (1) The bona fide homestead, consisting of a tract of land or two or more 14 tracts of land even if the land is classified and assessed at use value pursuant to 15 Article VII, Section 18(C) of this constitution, with a residence on one tract and a 16 field with or without timber on it, pasture, or garden on the other tract or tracts, not 17 exceeding one hundred sixty acres, buildings and appurtenances, whether rural or 18 urban, owned and occupied by any person or persons owning the property in 19 indivision, shall be exempt from state, parish, and special ad valorem taxes to the

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extent of seven thousand five hundred ten thousand dollars of the assessed valuation.

CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

In the tax year following the year in which a statewide reappraisal of property
pursuant to Article VII, Section 18(F) of this constitution is conducted, the
homestead exemption shall be adjusted to reflect the change in the Consumer Price
Index for that year as reported by the United States Government; however, this
exemption shall never be less than ten thousand dollars. The same homestead
exemption shall also fully apply to the primary residence, including a mobile home,
which serves as a bona fide home and which is owned and occupied by any person
or persons owning the property in indivision, regardless of whether the homeowner
owns the land upon which the home or mobile home is sited; however, this
homestead exemption shall not apply to the land upon which such primary residence
is sited if the homeowner does not own the land.
* * *
Section 2. Be it further resolved that this proposed amendment shall be submitted
to the electors of the state of Louisiana at the statewide election to be held on October 22,
2011.
Section 3. Be it further resolved that this proposed amendment, if approved by the
electors, shall become effective on January 1, 2012.
Section 4. Be it further resolved that on the official ballot to be used at said election
there shall be printed a proposition, upon which the electors of the state shall be permitted
to vote FOR or AGAINST, to amend the Constitution of Louisiana, which proposition shall
read as follows:
To increase the homestead exemption to ten thousand dollars; to provide that
in the year following a statewide reappraisal of property, the homestead
exemption shall be adjusted to reflect the change in the Consumer Price
Index for that tax year; and to provide that in no event shall the homestead
exemption be adjusted to less than ten thousand dollars. (Effective January

1, 2012) (Amends Article VII, Section 20(A)(1))

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)]

Henderson HB No. 385

Abstract: Increases the homestead exemption <u>from</u> \$75,000 <u>to</u> \$100,000 and provides for adjustment of the exemption after a statewide reappraisal to reflect changes in the Consumer Price Index.

<u>Present constitution</u> provides for the annual levy of ad valorem taxes and the exemption from such taxation of homesteads and other property. The bona fide homestead is exempt from state, parish, and special ad valorem taxes up to \$75,000 of assessed valuation.

Proposed constitution changes the homestead exemption from \$7,500 to \$10,000.

<u>Proposed constitutional amendment</u> further provides that in the tax year following the year that a statewide reappraisal of property required by <u>present constitution</u> is conducted, the homestead exemption shall be adjusted by the Consumer Price Index as reported by the U.S. Government; however, the exemption shall never be less than \$10,000.

Provides for submission of the proposed amendment to the voters at the statewide election to be held Oct. 22, 2011.

Effective Jan. 1, 2012.

(Amends Const. Art. VII, §20(A)(1))