HLS 10RS-580 ENGROSSED

Regular Session, 2010

HOUSE BILL NO. 604

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## BY REPRESENTATIVE CHAMPAGNE AND SENATOR ADLEY

TAX/AD VALOREM TAX: Require certain notifications and procedures relating to insufficient reporting of taxable property

AN ACT

2 To amend and reenact R.S. 47:1957(E) and 1998(C), relative to the assessment of property 3 for ad valorem taxation; to provide for procedures related to missing, incomplete, or 4 incorrect reporting of taxable property; to require certain notifications to property 5 owners under certain circumstances; to provide with respect to an assessor's authority 6 to initiate litigation against certain taxpayers; to require the provision of notice to 7 certain taxing authorities; and to provide for related matters. 8 Be it enacted by the Legislature of Louisiana: 9 Section 1. R.S. 47:1957(E) and 1998(C) are hereby amended and reenacted to read 10 as follows: 11 §1957. Listing and assessing of property generally 12 13 E. If the assessors find or have reason to believe that the list of taxable 14 property furnished by any person is incomplete or incorrect, they shall add to the list 15 of such property, which from the best information they can obtain, has been omitted 16 or incorrectly described by the person signing the list. The assessor shall mail a 17 notification to the taxpayer, at least three days before the first day of the inspection period, which summarizes the changes made to the list. The notice shall be mailed 18 to the same address to which the notice of tax due is sent by the collector of taxes. 19

Page 1 of 3

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

1 By the conclusion of the inspection period, if the taxpayer does not challenge such 2 changes Additionally, the taxpayer shall be subject to all applicable penalties, 3 including those provided for by R.S. 47:2329. 4 §1998. Judicial review; generally 5 6 7 C. The assessor shall bring suit, when necessary to protect the interest of the 8 state, and shall also have the right of appeal and such proceedings shall be without 9 cost to him or the state; however, prior to the initiation of a lawsuit against a 10 taxpayer who is suspected of concealing property from assessment, the assessor shall provide written notice to the governing body of the taxing authority the tax revenues 11 12 of which are the subject of the lawsuit. 13

## **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)]

Champagne HB No. 604

**Abstract:** Requires written notice to the governing body of the taxing authority before an assessor may sue a taxpayer who is suspected of concealing property from assessment, and requires notifications related to insufficient or erroneous reporting of taxable property.

<u>Present law</u> provides generally for the listing and assessing of property subject to ad valorem taxation. The assessor is authorized to inspect accounts, books, and other papers belonging to a taxpayer. The assessor may require that a taxpayer submit a list of his movable property, which shall contain an estimated value. The assessor may value property in cases where he disagrees with the valuation indicated by the taxpayer.

<u>Present law</u> imposes penalties, including loss of right to challenge the property assessment, if a taxpayer fails or refuses to submit a list of property.

Present law authorizes an assessor to bring suit to protect the interest of the state.

<u>Proposed law</u> retains <u>present law</u> and adds requirements for the assessor to notify a taxpayer who he believes to have submitted insufficient or erroneous reports of taxable property. The notification shall be mailed to the taxpayer at the address to which the notice of tax due is sent by the tax collector.

<u>Proposed law</u> requires that, before filing suit against a taxpayer suspected of concealing property from assessment, the assessor shall provide written notice to the taxing authority the tax revenues of which are the subject of the lawsuit.

(Amends R.S. 47:1957(E) and 1998(C))

## Summary of Amendments Adopted by House

Committee Amendments Proposed by <u>House Committee on Ways and Means</u> to the <u>original</u> bill.

- 1. Required an assessor to provide written notice to the governing body of the taxing authority prior to initiation of a lawsuit for concealing property rather than requiring the approval of such governing authority prior to filing suit.
- 2. Deleted requirement that an assessor notify a property owner at least three days before the first day of the inspection period if the property owner fails to make a report of taxable property required in <u>present law</u>.