## SLS 20RS-434

## ORIGINAL

2020 Regular Session

SENATE BILL NO. 245

BY SENATOR SMITH

TAX/AD VALOREM. Provides for the adjustment of ad valorem tax millages. (See Act)

1	AN ACT
2	To amend and reenact R.S. 47:1705(B)(1)(a) and (b)(i), relative to adjustments of ad
3	valorem millages; to provide for maximum authorized millage rates; and to provide
4	for related matters.
5	Be it enacted by the Legislature of Louisiana:
6	Section 1. R.S. 47:1705(B)(1)(a) and (b)(i) are hereby amended and reenacted to
7	read as follows:
8	§1705. Information supplied to assessor and legislative auditor by tax recipient
9	agencies; additional notices
10	* * *
11	B.(1)(a) For any taxing authority with a governing authority membership
12	which is elected by the voters, increases in the millage rate in excess of the rates
13	established as provided by Article VII, Section 23(B) of the Constitution of
14	Louisiana, but not in excess of the prior year's maximum authorized millage rate any
15	previous maximum authorized millage rate approved by the taxing authority's
16	electors may be levied by two-thirds vote of the total membership of a taxing
17	authority without further voter approval but only after a public hearing held in

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1	accordance	with th	e open	meetings	law.
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2	(b)(i) Any taxing authority with a governing authority membership which is
3	not elected by the voters may increase a millage rate in excess of the rates
4	established as provided in Article VII, Section 23(B) of the Constitution of
5	Louisiana, but not in excess of the prior year's maximum authorized millage rate any
6	previous maximum authorized millage rate approved by the taxing authority's
7	electors. Such increased millage shall also be limited to an amount which would
8	increase the ad valorem taxes collected by the taxing authority by no more than two
9	and one-half percent of the collections for the calendar year immediately preceding
10	the year for which the increased millage rate is effective.
11	* * *
12	Section 2. This Act shall take effect and become operative if and when the proposed
13	amendment of Article 7, Section 23(C) of the Constitution of Louisiana contained in the Act
14	which originated as Senate Bill No. of this 2020 Regular Session of the Legislature is
15	adopted at the statewide election to be held on November 3, 2020, and becomes effective.

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

## DIGEST

SB 245 Original

2020 Regular Session

Smith

Present law establishes the mechanism by which ad valorem property tax millage rates are automatically adjusted in response to changes in the tax base resulting from reassessment or a change in the homestead exemption. Both the millage rate imposed in the year before the change in the base, as well as the maximum authorized millage rate, are adjusted so that the same amount of taxes is collected in the year after reappraisal as was collected in the prior year.

Present law authorizes an increase in a millage rate up to the prior year's maximum authorized rate by 2/3 vote of its governing body without voter approval. The maximum authorized rate is adjusted every four years due to statewide reassessment and may also be adjusted due to a change in the homestead exemption.

Proposed law allows a taxing authority to increase its millage rate up to any previous maximum authorized millage rate approved by the taxing authority's electors rather than the present law's maximum authorized rate in effect the prior year.

Effective if and when the proposed amendment of Article 7, Section 23(C) of the Constitution of Louisiana contained in the Act which originated as SB of the 2020 RS is adopted at the statewide election to be held on November 3, 2020, and becomes effective.

(Amends R.S. 47:1705(B)(1)(a) and (b)(i))

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