

Amendment 5 merits approval

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Senior citizens, the disabled and certain members of the military get property tax breaks under current Louisiana law. Proposed state constitutional amendment No. 5 on the Nov. 4 ballot would expand that benefit to those same persons whose homes are sold to or expropriated by a government agency.

The American Press supports the amendment that is discussed in detail in the Public Affairs Research Council's "Guide to the Proposed Constitutional Amendments."

Persons 65 or older, the disabled and certain military personnel can freeze their property tax assessments if they make less than the current threshold of about \$64,000 annually. The threshold was \$50,000 in 2000, but it is adjusted annually for inflation. The special assessment level is the one that existed when a property owner qualified for the freeze.

Amendment 5, if adopted, would allow property owners who had their assessments frozen to transfer that same assessment to new property if their previous homestead is sold to or expropriated by state, federal or local authorities.

The assessment couldn't be transferred if the new home exceeds 200 percent of the fair market value of the home that was sold or expropriated.

The frozen assessment would stay in effect as long as the property doesn't increase in value by more than 25 percent due to construction or reconstruction, and if it isn't sold.

PAR points out that a person's tax bill could still increase if millage rates are increased, but not because the value of the property increased.

Supporters of the amendment say it is needed to protect homeowners from large tax increases if the government forces them to move. Most are on fixed incomes and their taxes would likely increase if they are forced to buy a new home at fair market value.

Opponents believe freezing tax bills would be a better break for those who qualify for assessment freezes. PAR said it wouldn't give people the impression their neighbors are getting a break they don't enjoy. It would also clear up confusion about why homes in the same neighborhood are valued at different levels.

The fiscal impact of this amendment on local governments would be minimal because so few homeowners would be affected, PAR said.

The American Press supports Amendment 5 because it protects homeowners from large tax increases when the government forces them to move.