Finally, BGR analyzed whether the constitution is the proper vehicle for achieving the desired outcomes. A constitutional amendment is necessary to change the calculation of ad valorem taxes, but supporters and critics disagree on the level of detail that the proposed amendment contains. Supporters say the proposed amendment appropriately gives certainty to the phase-in process. Critics note that if any part of the amendment needs to be modified or eliminated in the future, voters statewide will need to approve another constitutional amendment.

BGR Position

AGAINST. The proposed amendment is well-intentioned with its purpose of addressing financial hardships resulting from escalating property taxes. However, supporters of the amendment could not quantify the extent of any existing problem or estimate how many homeowners the amendment might assist. The basic eligibility threshold of an assessment increase exceeding 50% appears arbitrary and not tailored to address the problem of financial hardship the amendment is trying to solve.

The amendment would also create a number of issues. It would create unfairness between eligible and ineligible homeowners, particularly for those homeowners whose assessment increases are near, but do not exceed, the amendment’s threshold. Further, the amendment would place a significant administrative burden on parish and municipal tax collectors without uniform guidance. This creates a risk of inconsistent and uneven administration within a parish and throughout the state, or worse, a risk of misuse of the mechanism.

The extent of the impact of escalating property taxes on homeowners should be better defined and analyzed. Given the amendment’s flaws, it should not make its way into the State constitution, where any modifications would require another constitutional amendment. Before pursuing other attempts at property tax relief, the Legislature should assess the extent of taxpayer need and match it to a precise solution that is fair and effective. Additionally, the Legislature should establish consistent standards for transparent implementation by parish assessors and local tax collectors.