Dear Real Estate Professional,

We have created this guide to assist and inform you, and I hope you find it useful. I would also like to take this opportunity to share with you a few of the projects we are working on here at the Assessor’s Office.

We are making advancements in the technology we use in every department. These advancements improve the quality, quantity and timeliness of data that we provide to you as real estate professionals and all the citizens of St. Tammany Parish.

Our GIS department is making great strides in creating a digital map of the parish. This is a huge task and we continue to work hard daily to achieve substantial completion. We have thousands of parcels completed with data available for your use on our website.

Our Transfer department has undergone progressive changes, too. As you are aware, we work a year in arrears. We know at times this can create challenges for professionals in your field, especially in reassessment. It is our goal to move closer to “real time” information. We are working closely with the new Clerk of Court Melissa Henry to accomplish that goal. Our hope is to actually transfer the first quarter of transactions onto the tax roll and make that information available to you at some point in the future.

Property owners will notice advances in our customer service department immediately upon entering our office. With the installation of new touch screens at our customer service areas, we are now employing technology to become paperless and are utilizing electronic forms in the office. This reduces human key punch error, improves efficiency and provides better quality control. Our goal is to eventually expand these services to allow for the use of electronic forms on our website, as well.

We are also in the process of updating our website, search engines and publications. We are hopeful that the changes and investments we have made in the technology in our office will assist you to better serve your clients – the citizens of St. Tammany Parish.

Moving forward in our efforts to better serve you, we ask that you always be certain to put the assessment number and physical address on all deeds. That will assist us in a faster and cleaner transfer and allow us to provide you with better data in the future.

If you have any suggestions or comments about this guide, on how our office may better serve and assist you, or if you have specific questions about a transaction, please contact us at (985) 809-8180 or our website www.stpao.org.

Best regards,

Louis Fitzmorris, CLA

Assessor

Closing Guide for Real Estate Professionals
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Introduction
The Constitution of the State of Louisiana authorizes local and state governments to tax real and business personal property. The broad constitutional principles are clarified in the Louisiana Revised Statutes. The Louisiana Tax Commission’s Rules and Regulations, passed in accordance with the constitution and statutes, further clarify and make these laws workable. These are generally aligned with USPAP (Uniform Standards of Professional Appraisal Practices), www.USPAP.org. This summary of constitutional provisions and revised statutes is for convenience only and is not intended as an official interpretation. The actual provisions of law supersede this summary of procedures and guidelines.

Understanding Homestead Exemption*
To qualify for Homestead Exemption, new homeowners must:

- Own and occupy residence by December, and
- Not have a Homestead Exemption elsewhere.

Louisiana state law allows an individual resident only one Homestead Exemption up to $75,000. This exemption is granted proportionately with the ownership interest of those domiciled in the residence. It is typically best to apply for Homestead Exemption for a new primary residence between January 1 and April 15 following the year of purchase, unless you acquire an existing home without a Homestead Exemption and do not have a Homestead Exemption elsewhere. If you owned and claimed a Homestead Exemption on January 1, subsequently purchased another home and sold the former home, you are still liable for the homestead exemption for the former home.

Generally, it is not beneficial to file an early Homestead Exemption if:

1. An occupancy permit was issued after January 1, the new home was not substantially complete by January 1, thus vacant property is on the current tax rolls.
2. The seller already had a Homestead Exemption on the home on the current tax rolls and cannot be removed without causing a double homestead for buyer.
3. The seller had a Senior Freeze, Disability Freeze, Use Value and/or Investor Rate. The value for the purchaser will not reflect these discounted rates. The new assessed value will be reflected for the new owner, and if they qualify for a freeze, the new value would be established and then frozen the following year.
4. The seller’s taxes were without a Homestead Exemption or higher for another reason, and taxes were prorated at the closing based on the higher value and prorated to buyer late in the year.

* To download a copy of our brochure Understanding How Your Property is Assessed, go to http://www.stpao.org/faq.
Please advise your clients if and how taxes were prorated and who is responsible for difference. New homeowners should bring to the Assessor’s office, in Covington or Slidell, a copy of the recorded act of sale and their driver’s license and/or voter’s registration card that reflects their new address. The Homestead application must be filed in person. Homestead Exemption does not affect municipal taxes or parcel fees. Property owners living inside city limits will owe city taxes based on the total assessed value without the benefit of Homestead Exemption. Homestead Exemption in St. Tammany Parish is permanent once you become eligible. However, failure to advise the Assessor within 60 days that a property is no longer eligible, is a misdemeanor, LA R.S. 47:2330, as is having more than one Homestead Exemption. With the Louisiana Legislature’s passage of Act 437 (R.S. 14:71.4) it is now a crime punishable by up to six months in jail, fines and restitution of taxes not paid.

PROPERTY THAT DOES NOT HAVE AN EXISTING HOMESTEAD EXEMPTION.

Taxes are usually prorated to the purchaser based on the current tax roll at the time of sale. Usually, the purchaser should file for Homestead Exemption for the next year, because the tax proration at time of sale transferred money from the seller to buyer to cover seller’s portion of taxes. Taxes are not paid to the Sheriff (Tax Collector) at this time. Regardless of when a homeowner applies for Homestead Exemption, it is for the entire year. If you own two homes and move from one to the other, you must file a new application and remove the old Homestead Exemption.

PROPERTY THAT HAS AN EXISTING HOMESTEAD EXEMPTION AND THE SELLER BUYS ANOTHER HOUSE.

If taxes are prorated at an Act of Sale with the property having a Homestead Exemption in the seller’s name, the purchaser benefits from the sellers homestead and any attached assessment freezes, because status and ownership is as of Jan. 1 of that tax year. Therefore, if the seller purchases a new home during the same year of his sale, which does not have Homestead Exemption, and he wants a Homestead Exemption on the newly acquired property, he (seller) should not remove the homestead on the property he sold because proration at the sale was based on the property having homestead and the law states that you are entitled to only one Homestead Exemption. However, this would require the seller and purchaser to come to the Assessor’s office at the same time with their Act of Sales and both apply for their Homestead Exemptions. If they qualify by only having one homestead and occupying their respective properties, and if both parties have agreed to transfer the property early and with some possible adjustments in the value, both parties could have a Homestead Exemption.
Special Circumstances:

ABSENT HOMEOWNER

If a homeowner is absent from the domicile but intends to return and does not rent the home or claim a Homestead Exemption elsewhere, such as residing in an assisted living facility or active military deployment, the Homestead Exemption is retained. If Homestead Exemption is lost all other special exemptions are removed as well. If the property is rented to a third party the Homestead Exemption must be removed.

MULTIPLE IMPROVEMENTS

If multiple improvements are on the same assessment number and one structure is rented and one has a Homestead Exemption, we list those rented improvements separately. Similarly, an owner-occupied double with half the improvement value and all land on the Homestead Exempted assessment and the rented improvement is listed on another assessment. This results in two separate tax bills, so both bills must be paid to avoid a tax sale.

LAGNIAPPE

We generally work transfers a year in arrears. We should be advised early of unique circumstances after recordation, such as sales to/from nonprofits, in order to appear on the current tax roll. We only recognize documents recorded in the parish conveyance records. Filing resub maps is not a conveyance and should be followed up with the Assessor’s Office to ensure assessments are correct. Avoid creative captions on recorded documents as they sometimes are not communicated to our office and as a result are not reflected on the tax rolls correctly.

DIVORCES/SEPARATIONS

To avoid double Homestead Exemptions, parties must have a divorce and community property regime/settlement before one spouse can get another Homestead Exemption, because both parties would still have one-half ownership on the existing property. As an option, a husband or wife can donate his or her one-half interest in the existing house so that it becomes separate property of only one party. For marital donations, please refile for Homestead Exemption in the proper names so that documentation on file matches current ownership and provide a recorded copy of the donation or quitclaim. Separate or co-owned property may require both signatures.
TRUSTS
Homestead Exemption shall extend to property owned by a trust when the:

• Principal beneficiary of the trust is a settlor(s) of the trust.
• Principal beneficiary/settlor is the immediate prior owner.
• Principal beneficiary/settlor occupies the homestead.
• Property qualified for Homestead Exemption immediately before transfer, conveyance or donation or would have qualified if not owned by a trust.
• Trusts do not qualify for a Senior Freeze.

For trusts filing for Homestead Exemption, a copy of the trust document or abstract thereof must be filed with the Homestead Exemption.

SURVIVING SPOUSES
Homestead Exemption shall extend to a surviving or former spouse when the:

• Trust was established for the benefit of a surviving/former spouse.
• Title to the Homestead is in the name of a surviving/former spouse as owner.
• Surviving/former spouse occupies the Homestead.
• Surviving/former spouse has only one Homestead Exemption if granted this one.
• Spouse was a public servant killed in the line of duty.

NONPROFITS
To qualify for property tax exemption, a nonprofit must own the property and meet four basic requirements:

1 The organization must be a nonprofit corporation or association organized exclusively for religious, designated places of burial, charitable, health, welfare, fraternal or educational purposes.
2 None of the net earnings of the organization benefits any stockholder or member.
3 The nonprofit must be exempt from federal and state income taxes.
4 None of the nonprofit’s property is owned, operated, leased or used for commercial purposes.

Nonprofit organizations must apply to the Assessor’s Office for property tax exemptions for any non-income producing properties. To obtain an exemption, a nonprofit organization must provide:

• State of Louisiana Nonprofit Exemption Application
  http://www.qpublic.net/la/orleans/docs/Exemption%20Application.pdf,
• Determination Ruling Letter from the Internal Revenue Service (IRS), and
The property must be wholly owned by the nonprofit, not a related entity.

The authority to determine whether a particular taxpayer may be exempt from the payment of ad valorem taxes is a factual determination. Property owned by a qualified non-profit but leased for commercial purposes is taxable. Property purchased by or sold by a tax-free entity and/or non-profit are prorated for the time period property was subject to taxes.

BOND FOR DEED

Homestead Exemption is unavailable to buyers who have a bond for deed contract. However, Homestead Exemptions granted prior to June 20, 2003 are grandfathered. (LA Const. Article 7 Sect. 20(7), LA R.S. 9:2948.

SELL-OFFS FROM BULK LISTINGS

In sales from bulk listing or sell-offs from parcels occurring after Jan. 1, buyers pay sellers their proportionate share of taxes for property purchased, as the Assessor’s Office is unable to break out tax bills retroactively. Both seller and buyer should refile Use Value applications for the following year, if applicable.

Multiple sell-offs from bulk assessments can create confusion and often results in double assessments and/or tax sales. If notified of current years’ sales before September, we can early transfer and separate listings for the upcoming tax year so that two tax bills are sent by the Sheriff.

Private roads, common areas and green space usually remain on the original assessment. If informed that it is only residual acreage, it is assessed accordingly. If transferred to a nonprofit homeowners association, it may become tax free upon application.
TAX SALE PROPERTY
If a tax buyer has purchased property for non-payment of taxes on a broken-out parcel, the former owner must first fully redeem the property at the Sheriff’s Office before a Homestead Exemption or an assessment review filing is permissible. If three years have passed since the recordation of the tax sale, the tax sale buyer must be dealt with first. Any quitclaim deed should direct the Sheriff to pay taxpayer any refunds, if that is the intent of the parties, as the sheriff typically refunds any overages to the person that paid the taxes, not necessarily the owner.

Applying for Special Assessments
A buyer may qualify for a special assessment if the buyer:
• Is 65 years of age or older and has a combined adjusted gross household income below $72,134 for 2017 or $73,851 for 2018 (adjusted annually based on the Consumer Price Index),
• Has a service-connected disability rating of 50 percent or more,
• Is a surviving spouse of someone killed in action, missing in action or a prisoner of war for a period exceeding 90 days,
• Is adjudged permanently and totally disabled by an administrative ruling. This does not apply to trusts.

SPECIAL ASSESSMENT EXAMPLE:

| 243.801 | Consumer Price Index, March 2017 |
| 238.132 | Less Consumer Price Index, March 2016 |
| 5.669  | Increase |
| .0238  | Percentage Increase from March 2016 |
|        | (5.669/238.132) |
| $72,134.38 | 2017 Special Assessment Level |
| $73,851.18 | 2018 Special Assessment Level |

($72134.38 x 1.0238= $73,851.18)

SENIOR FREEZE AND VETERAN’S FREEZE
Homeowners may qualify for a Senior or Veteran Freeze to lock in or “freeze” the current assessed value of their home for as long as the buyer owns and occupies the home, if home buyers’ combined adjusted gross income does not exceed more than the maximum allowed, and if any improvements/upgrades to the property do not exceed 25 percent of the home’s value. The Freeze extends to surviving spouses who are at least 55 years of age and meet all other criteria. This does not freeze the taxes that vary with the millages approved by the voters and taxing bodies.
Apply in person for special exemptions by bringing to the Assessor's office, in Covington or Slidell:

- The previous year's income tax return to verify income
- Veterans Affairs and/or Social Security Administration decision letter (for veterans and disabled)

DISABLED VETERAN’S SPECIAL ASSESSMENT

For a Homestead Exempted property owned and occupied by a veteran with a service-connected disability rating of 100 percent, by the U.S. Department of Veterans Affairs, the next $7,500 of the assessed valuation shall also be exempt from ad valorem taxation, for a total of a $15,000 exemption (or $150,000 market value). To apply, please bring the disability rating, judgment, or death certificate to Assessor’s Office.

SURVIVING SPOUSE OF MILITARY AND LAW ENFORCEMENT SPECIAL ASSESSMENT

Art. VII, Section 21(M) of the La. Const. authorizes an exemption for certain property owned by an unmarried surviving spouse of a member of the military who was killed on active duty in the armed forces of the United States or a member of law enforcement. To apply, please bring the disability rating, judgment and death certificate to Assessor’s Office.

Obtaining Use Value

According to state statutes, bona fide agricultural, horticultural, marsh and timberlands are assessed at Use Value rather than market value. In the case of agricultural, horticultural and timber lands, the property must be at least three acres or have produced an average gross annual income of $2000 or more the four preceding years. The productivity of the land determines the Use Value. Use Values range from $3.00 per acre for saltwater marshland to $39.77 per acre for high production timberland. Agricultural and horticultural land Use Values range from $21.41 to $40.01 per acre. The Louisiana Tax Commission resets Use Values every four years.

Those subdividing a parcel or acreage must refile the land use form on the remaining acreage. The Assessor’s Office removes the Use Value and generally sends a new use form. In most instances, a second reminder is sent during the review period. If the application is filed after the tax roll is certified in November, the Use Value will be removed and is unable to be reinstated until the next tax year.
Developer/Investor Rate

Before initial occupancy, a developer, builder or contractor, operating as a legal entity, may receive a Discounted Investor Rate Assessed Value for improved or unimproved, never occupied residential immovable property intended for resale. To obtain the Investor Rate, complete and return the Investor Rate exemption form, www.stpao.org/forms.

<table>
<thead>
<tr>
<th>PROPERTY IS ASSESSED AS FOLLOWS:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>10%</td>
</tr>
<tr>
<td>Commercial Land</td>
<td>10%</td>
</tr>
<tr>
<td>Improvements for Residential (incl. apartments)</td>
<td>10%</td>
</tr>
<tr>
<td>Improvements for Commercial</td>
<td>15%</td>
</tr>
<tr>
<td>Business Movable Property (personal)</td>
<td>15%</td>
</tr>
<tr>
<td>Public Service Properties (excl. land) (assessed by the Louisiana Tax Commission)</td>
<td>25%</td>
</tr>
</tbody>
</table>

Estimating Annual Taxes

The Louisiana Constitution requires the Assessor to identify, list and value all property subject to ad valorem taxation on an assessment roll each year. The “ad valorem” basis for taxation means that all property should be taxed “according to value” rather than the actual sales price. The Constitution defines assessed value as a percentage of “fair market value” or “use value.” Sales chasing is prohibited, but assessments can be adjusted to reflect corrected data or improvements to the condition.

FAIR MARKET VALUE

Fair Market Value is determined by considering relevant real estate transactions in the market place between “willing sellers” and “willing buyers.” The Assessor is legally obligated to evaluate and study these transactions and assess your property accordingly. Current construction costs, zoning, financing and economic changes also influence market values.
The Assessor uses the three nationally recognized appraisal approaches to determine market value. These appraisal calculations are commonly referred to as the cost, income and market approaches. After a mass appraisal of your subdivision or area, a property’s “assessed value” is determined by applying the appropriate percentage of value or assessment level that the law requires to determine lot/land values and per square foot values for improvements. The property’s physical characteristics, such as square footage, quality and age of improvements (buildings and other structures), depreciation and class, etc., are also taken into account.

To estimate annual taxes in a closing, use the sale price if it reflects market value and is an arms length transaction. The appraisal department will determine the assessed value the following year. Do not use taxes of similar home’s assessments on that street that have special assessments or freezes. In a non-reassessment year, the current assessed value, if not subject to any freeze or special assessment, should not change significantly, unless we had erroneous information or improvements or upgrades were made. Please call us if you have any questions.

RESIDENTIAL EXAMPLE:

<table>
<thead>
<tr>
<th>$175,000.00 Fair Market Value Land and Improvements</th>
<th>x 0.10 Assessment Level for Residential Property</th>
</tr>
</thead>
<tbody>
<tr>
<td>$17,500.00 Assessed Value minus ($7,500.00)</td>
<td>Maximum Homestead Exemption</td>
</tr>
<tr>
<td>$10,000.00 Taxable Value times (0.14220 Revenue Rate ($1,422) plus + 0.020 City Tax Rate ($350), if any)</td>
<td></td>
</tr>
<tr>
<td>$1,772.00 TOTAL TAXES DUE</td>
<td></td>
</tr>
</tbody>
</table>

COMMERCIAL EXAMPLE:

<table>
<thead>
<tr>
<th>$200,000.00 Fair Market Value Commercial Improvements times x 0.15 Assessment Level for Commercial Improvements</th>
</tr>
</thead>
<tbody>
<tr>
<td>$30,000.00 Assessed Value Improvements</td>
</tr>
<tr>
<td>$100,000.00 Fair Market Value Commercial Land times x 0.10 Assessment Level for Commercial Land</td>
</tr>
<tr>
<td>$10,000.00 Assessed Value Land</td>
</tr>
<tr>
<td>$40,000.00 Assessed Value Improvements and Land times (0.14220 Revenue Rate ($5,688) plus + 0.020 City Tax Rate ($800), if any)</td>
</tr>
<tr>
<td>$6,488.00 TOTAL TAXES DUE</td>
</tr>
</tbody>
</table>
For example, if the sales price is $175,000, 10 percent of fair market value is $17,500, which is the assessed value. If the property has Homestead Exemption, subtract $7,500 for a taxable value of $10,000. If your parish tax rate is 142.20 mills (A mill is 1/1,000 of one cent.), multiply the taxable value by 0.14220 to arrive at the total parish taxes due. Homestead Exemption does not apply to municipal taxes, so multiply the total assessed value by .020 (if your municipal millage is 20 mills) to determine municipal taxes. Millage rates vary, from 105 to 162 mills, across the parish by tax districts and municipal boundaries. A tax calculator is available online for your convenience at www.stpao.org/assessment-tools.

Short sales, foreclosures, donations, successions, etc., are not arm’s length transactions, so the assessed value may be more than the sales price. Simply assessing properties at sales prices or percentage thereof creates an inequity among identical property. Transfers and permits are documented a year in arrears. Only non-valuation disputes are reviewed after tax bills are sent out. Please indicate any movables included as part of sales price or if taxes are not allocated or prorated in sales documents.

Property is valued assuming absolute ownership unencumbered by any other interest or estate, such as a lease or mortgage, and this requires that the property be valued based on its market value, or its “value-in-exchange.”

The Assessor’s Office takes into consideration the condition of the home on Jan. 1 of the year of the act of sale. The assessed value is based on Jan. 1 of the year of the tax re-assessment year, presently Jan. 1, 2015. For the 2016 reassessment, we used values six months before Jan. 1, 2015, and six months after Jan. 1, 2015. This establishes the “blue book” value for similar properties for the next four years. The next reassessment will be in 2020 and will be based upon January 1, 2019 values.

Owners must re-file all exemptions (Homestead, Use Value, Senior Freeze, etc.) on property for the year following the sale. All of the seller’s previous special assessments are removed and property is revalued. If an early homestead is advantageous and filed, the assessed value may change from the previous year.

PERSONAL PROPERTY VALUATION

The only moveables for which Ad valorem taxes are collected are on business personal property. In Louisiana, “personal property,” also known as movable property, means tangible property that is capable of being moved or removed from real property without substantial damage to the property itself or the real property from which it is being removed.
Business Personal Property includes, but is not limited to, inventory, furniture, fixtures, machinery and equipment, and all things other than real estate that have any monetary value, all monies, credits, investments in bonds, stocks, franchises, shares in joint stock companies, etc.

Business personal property in Louisiana is valued using the cost approach. Using this method, the original cost of an asset (which includes all associated costs including shipping, installation, labor, etc.) is multiplied by a cost index factor provided by the state to arrive at a replacement cost new and then depreciation and obsolescence are subtracted to arrive at the fair market value.

\[(\text{Original Cost} \times \text{Cost Index}) \times \text{Depreciation Factor} \times \text{Obsolescence Factor (if any)} = \text{Market Value}\]

To simplify calculations, the Tax Commission provides a “Composite Multiplier” table, which contains values that are the product of the percent good values multiplied by the cost indexes.

\[\text{Original Cost} \times (\text{Cost Index} \times \text{Depreciation Factor}) \times \text{Obsolescence Factor (if any)} = \text{Market Value} \text{ [referred to as “Composite Multiplier”]}\]

Several types of business personal property are not valued using the Composite Multiplier table but rather by separate tables developed for each type of property. The property types include watercraft, aircraft, oil and gas properties, drilling rigs and pipelines. These tables can be found on the Louisiana Tax Commission website at [http://www.latax.state.la.us/Menu_RulesRegulations/Rules%20and%20Regs%20Changes/RULES.GB.pdf](http://www.latax.state.la.us/Menu_RulesRegulations/Rules%20and%20Regs%20Changes/RULES.GB.pdf).

The assessed value of business inventory is simply the average monthly inventory multiplied by 15 percent. Property taxes are paid on this inventory in the parish where the inventory is located. This information is self-reported annually by LAT-5 forms mailed out on February 1 and due by April 1.
SETTING MILLAGE RATES

Tax bills are determined by multiplying the assessed value by the applicable millage rate within your particular tax district. The Assessor determines the assessed value of properties — not the millage rates. Millages begin with a vote of the people. Once created, they are controlled by the taxing bodies. Taxing bodies set their millage rates annually. They can roll forward or roll back the millage rate each year. However, they are not allowed to exceed the maximum authorized rate. If a taxing body rolls their mills forward to a rate that increases revenue, it is a tax increase. Every year when each taxing body sets their millage rates, they must publicize the date, time and location of their meeting before they do so. These are open, public meetings and the appropriate time for taxpayers to voice their support or opposition.

Reviewing and Appealing Assessments

The appropriate time to inspect assessments, assessed values, special exemptions, verify mailing addresses, file a review or appeal assessments is a two-week period between August 15 to September 15. Each year’s preliminary tax roll is available online on or about Aug. 1. The tax roll reflects the past year’s millages until all are reset by the individual taxing bodies by early November. Letters are sent each year to anyone whose taxable assessed value increased by 15 percent or more than the prior tax year (LA R.S. 47:1987B (1)(a)). After that time, valuation issues will only be reviewed for the next year’s tax roll. Filing before or during this period preserves additional appeal rights. After the rolls are certified in November, the Assessor is unable to make changes without the Tax Commission’s approval.

To request a review of an assessment, please contact the Assessor’s Office and, if possible, provide:

- Completed Assessment Review Form (www.stpao.org/forms)
- A recent appraisal addressed to a financial institution (We discourage requesting an appraisal solely for this purpose.)
- A declaration sheet from the insurance policy, or
- Any information or repair estimates documenting adverse conditions that may directly affect the value of the property, including recent pictures

If unsatisfied with the result of the review by the Assessor, property owners may appeal their assessment to the St. Tammany Board of Review (Parish Council) by the deadline, usually 15 days after the tax rolls close for public inspection. If the Board agrees with the Assessor, property owners may appeal this decision to the Louisiana State Tax Commission. If the Commission affirms, property owners can then appeal their case to the district court (LA R.S. 47:1992(B)).
REPORTING STRUCTURAL OR WEATHER-RELATED DAMAGES TO A HOME OR BUSINESS

Please complete an assessment review form as soon as possible to fully explain the extent of damages sustained by your home or business as a result of a severe weather event. Additional instructions, forms and information are available on our website at www.stpao.org/forms. Upon receipt, we will review the current assessed value, inspect the site damage, damages in the area and determine if your assessed value should be reduced for the current tax year. Typically, depreciation is increased until repairs can be completed.

Legality Challenges Versus Correctness Challenges

Louisiana law distinguishes between valuation and non-valuation issues.

• The Louisiana Constitution recognizes “correctness challenges” and “legality challenges.”

• A challenge to the valuation of a property is a “correctness challenge” and is subject to administrative review first by the parish governing authority (Board of Review) and then by the Tax Commission.

• A challenge that property is exempt from taxation is a “legality challenge” and is not subject to administrative review.

• Under LA R.S. 47:2134(B)(2)(b), if a correctness challenge is not already pending at the time the taxpayer makes payment of the tax under protest, then a suit seeking recovery of the protested suit need not be filed until 30 days from the date a final decision is rendered by the Tax Commission.

• As to legality challenges, LA R.S. 47:2134(C)(1) simply requires the payment be made under protest (with separate checks for the amount that is contested and the non-contested amount) and that suit be filed in the district courts within 30 days of that date.

Tax Notices

The St. Tammany Parish Sheriff’s Office mails out tax bills, delinquent notices and collects ad valorem taxes. New property owners should obtain a tax bill from the Sheriff or seller after December 1 of that year and arrange for payment. For purchases in the first half of the year, we attempt to send bills in “Care Of” the purchaser. Consequently, for purchases made after mid-year, the previous owner will receive the tax bill and should forward the tax notice to the buyer. New property owners may receive a letter from the Sheriff addressed to the prior owner for the recently purchased property.

1 Louisiana Constitution, Articles 7:18(E) and 7:3(A), respectively.
2 See Bass Partnership and Triangle Marine, 681 So.2dat 941
Always remember that taxes are settled between the parties, (not paid) at the closing of the sale. All payments should be sent to the St. Tammany Parish Sheriff’s Office by December 31 of the same year to avoid penalties and interest. Should you need a duplicate bill, contact the St. Tammany Parish Sheriff’s Office at (985) 809-8215. St. Tammany, unlike Orleans, pays property taxes in arrears.

Buyers’ and sellers’ addresses listed in sales documents should be valid until December when the Sheriff distributes tax bills. Change of Address forms must be filed with the Assessor’s Office to ensure proper listing on the tax roll. A change of address form can be found at http://www.stpao.org/forms.

Beginning with the 2014 tax roll, all municipalities and parcel fees are now collected by the Sheriff/Tax Collector. 2014 was the first year for Madisonville, while 2013 was the first year for Abita Springs and Pearl River. Prior to 2013, each city or town collected their own property taxes, so check with each city or town regarding any old tax sales, adjudications or unpaid ad valorem taxes for prior years.

Additionally, check with the Sheriff/Tax Collector to ensure all business personal property taxes were paid when handling the sale of businesses or business personal property, such as inventory, furniture, fixtures, equipment, leasehold improvements, etc.

Geographical Information Systems (GIS)

A geographic information system (GIS) is a system designed to capture, store, manipulate, analyze, manage, and present spatial or geographic data. Our use of GIS mapping is intended to help our team, government agencies and St. Tammany citizens to have easy access to parcel information and tax assessments. Real estate professionals will find the information provided through our GIS particularly helpful. Although a work in progress, currently
tens of thousands of parcels have been loaded on our website, www.stpao.org. As we continue to create and maintain this digital map of St. Tammany Parish, our data will be continually uploaded and made available to you.

**Understanding Tax Sales**

If taxes are not paid by a certain date, the Sheriff’s Office will advertise properties for sale to the public to collect the unpaid taxes. On an advertised date, usually in July, the property will be sold at a tax sale. If a property is not purchased at the tax sale, the property will then be adjudicated to St. Tammany Parish. It is important to remember that any property that has been sold for non-payment of taxes can be redeemed within three years by paying taxes, costs, penalties and interest due to the Sheriff. It is equally important to be advised that thereafter, a property owner can actually lose his property and must deal directly with tax sale buyer. Contact the Sheriff/Tax Collector to obtain a payoff or redemption amount at (985) 809-8215.

The St. Tammany Parish Sheriff’s Office handles all redemptions on tax sales and adjudicated properties. It is the responsibility of the property owner to pay all taxes, penalties, interest and costs to the Sheriff’s Office (currently 5% penalty and 1% interest per month. There are currently over 6000 properties adjudicated to the state and parish available for sale at www.stpgov.org, via Civic Source. For more information you can contact the St. Tammany Parish legal department at (985) 898-3427.

Please be aware that companies that capitalize on the Louisiana tax sale process, are acquiring property at the Sheriff’s annual tax sale. Under Louisiana law, a tax deed buyer can earn as much as 17 percent interest on their investment in the first year.
ADDENDUM

Attorney General Opinions on Homestead Exemptions


B. If other requirements are met, a person may be entitled to the exemption, even if the taxpayer is a citizen of another state or country (A.G.'s Opinion 1948-50, p. 729).


D. State employees living in another parish does not lose his entitlement if he returns to occupy the property regularly (A.G.'s Opinion 1936-38, p. 1055) and does not rent the property to another (A.G.'s Opinion 1936-38, p. 1054).

E. Army officer required to live away from home who allows relatives to occupy the property rent free does not lose his Homestead Exemption (A.G.'s Opinion 1940-42, p. 4088).


G. If part of a property is used as income producing property, the part occupied by the owner as a residence is exempt, the income producing part is not (portion of home used as a place of business is not exempt, A.G.'s Opinion 1940-42, p. 4129; A.G.'s Opinion 1934-36, p. 1144; rented half of double house not exempt, A.G.'s Opinion 1934-36, p. 1138).

H. When there is more than one tract with a residence on one and a field, pasture or garden on the other, tract must actually be used as a field, pasture or garden to be eligible for exemption, taxpayer must personally use the field, pasture or garden, and, if the tract is let out to another, it is not exempt (A.G.'s Opinion 1940-42, p. 1660).


K. A bona fide homestead is not eligible for the homestead exemption if an LLC owns such homestead subject to a usufruct in favor of a natural person who owned the homestead immediately prior to the granting of such usufruct, qualified for the homestead exemption before the transfer, and continues to occupy the residence on the homestead. A.G.'s Opinion 01-144, 00-54, 96-438, 94-603, 13-0110, and 13-215.

L. Two natural person usufructuaries, who, at the time their usufruct was granted, were the immediate prior owners of the property and who occupied the property as their homestead both before and after the property was transferred, may claim the homestead exemption under La. Const. Art. VII 20(A)(4), regardless of who holds the naked ownership of the property.

M. Usufructuaries who have transferred naked ownership of property to a trust may qualify for the Homestead Exemption if the requirements of La. Const. Art. VII, 20 (A)(3) or (A)(4) are met, however, they do not qualify for the Special Assessment level provided for under La. Const. art. VII 18(G). A.G.'s Opinion16-0152.

N. The Veteran’s Exemption is a distinct ad valorem tax exemption and not a homestead exemption, and, in some circumstances, the Veteran’s Exemption may be cumulated with a Homestead Exemption. La. Const. Art. VII, § 20 sets forth the homestead exemption and extends it to a property “owned by a trust” when the requirements of the article are met. The Veteran’s Exemption further requires that the property be “receiving the homestead exemption” and so it may only apply in addition to a homestead exemption. The Trust Exemption provides that “the homestead exemption shall extend to property owned by a trust” but the Veteran’s Exemption requires that the property be “owned and occupied by a veteran” or by the veterans surviving spouse. If a trustee should happen...
to be a person who may claim the Veteran’s Exemption, then the Trust Exemption could serve as the prerequisite homestead exemption with which the Veterans Exemption may be cumulated. A.G.’s Opinion 16-2006.

Tax Sales

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<tr>
<th>TAX SALE DATE</th>
<th>RECORDED DATE</th>
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<tbody>
<tr>
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<td>08/10/2017 Taxes Sheriff Sale 2016 Taxes</td>
</tr>
<tr>
<td>2014 Tax Sale 07/13/2015</td>
<td>07/24/2015 Taxes Sheriff Sale 2014 Taxes</td>
</tr>
<tr>
<td>2013 Tax Sale 07/14/2014</td>
<td>07/28/2014 Taxes Sheriff Sale 2013 Taxes</td>
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<tr>
<td>2012 Tax Sale 07/15/2013</td>
<td>08/07/2013 Taxes Sheriff Sale 2012 Taxes</td>
</tr>
<tr>
<td>2011 Tax Sale 05/30/2012</td>
<td>06/18/2012 Taxes Sheriff Sale 2011 Taxes</td>
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TOO LATE, LA R.S. 47:2132

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<tr>
<th>TAX SALE DATE</th>
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<tbody>
<tr>
<td>2007 Tax Sale 06/18/2008</td>
<td>07/14/2008 Taxes Sheriff Sale 2007 Taxes</td>
</tr>
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If you identify a dual assessment or other error, such as improvements not on the tax roll, improper Homestead or undervalued home, etc., please contact us at (985) 809-8180 or assessor@stpao.org. We fully investigate all complaints and errors. However, any errors located after August generally cannot be corrected until the following tax year.

Tax Sale Fact Sheet

Change Orders & Cancellations

A decision made by the Assessor’s Office to request a change order is fact dependent, there is no one rule that applies to all circumstances; if a taxpayer requests a change order, the Assessor’s office investigates the request and determines if a change order is warranted. If justified, and submitted in compliance with the law, the change order is requested from the LA Tax Commission.

If the Assessor’s office discovers an error on the tax roll (without a request from a taxpayer) it will request a change order and cancellation, if necessary, on behalf of the taxpayer. There is no formal procedure for notifying the tax sale purchaser. Cancellation certificates are forwarded by the Assessor to the Tax Collector. The Tax Collector confirms that a change order request was approved by the Louisiana Tax Commission and then processes a refund directly to the tax sale buyer. The tax sale buyer or whomever paid the taxes, unless quitclaim deed states otherwise, receives the refund from the Tax Collector, not the Assessor.

There is no set time within which the Assessor’s office is required to respond to a request for change order or act upon a sale cancellation. Generally the Assessor’s office responds to all valid requests within three weeks. The complexity of the issues presented sometimes necessitates a delay, as do the busier cycles within each tax season.

LA R.S. 47:2132 requires any claim for erroneous payment (dual assessment or improvements do not exist) of taxes to be presented to the Tax Commission within three years of the payment. This rule is further codified in La. Admin, Code. title 61, § 3507.

In the future if you receive a cancellation of sale from the Louisiana Tax Commission, please submit the request for a refund of the tax monies within three years of payment of the taxes. It is the policy of the Assessor’s office that all tax sale buyers record their own cancellations.

Research & Locate

Tax sale purchasers are advised at the beginning of each tax sale that you should research the parcels prior to purchasing the property at tax sale. The Assessor’s office cannot utilize its resources to research the properties that may have been purchased at the tax sale, while
we are glad to accommodate all reasonable requests, those for private research of tax titles go beyond the scope of the Assessor’s duties. There are many well qualified abstractors who will gladly assist you.

No rule, regulation or law requires the Assessor’s office to identify for you the actual physical address or location of the property at issue. The law requires the Assessor to describe all property according to a description that will “reasonably identify” the property which is attached to each assessment number. An actual physical address is not required.

You may retrieve assessment numbers and corresponding data from the Assessor’s website at www.stpao.org.

Assessment numbers that refer to lots (not parcels in a subdivision), are most likely in a subdivision plat on file with the St. Tammany Parish Clerk of Court’s office. Your abstractor/surveyor can verify the existence of the map file. It is not the Assessor’s office responsibility to confirm that a map or subdivision plat is on file with the Clerk of Court’s office.

Refunds/Erroneous Payments
LA R.S. 47:2132
2132. Refund of taxes erroneously paid

Any person who has a claim against a political subdivision for ad valorem taxes erroneously paid into the funds of that political subdivision may present the claim to the Louisiana Tax Commission within three years of the date of the payment.
IMPORTANT DATES TO REMEMBER:

(Approximate dates – actual dates may vary)

- **Jan 1**: Valuation and “legal status” date. Property is assessed based upon condition on said date.
- **Feb 1**: Business Personal Property Letters (LAT-5) are mailed out.
- **Apr 1**: Deadline to return LAT-5 forms for Business Personal Property/businesses
- **Jun 1**: Deadline to file for Homestead Exemption
- **Jul 1**: Deadline for Investor Rate forms
- **Jul**: Sheriff tax sale
- **Jul 31**: Deadline for taxing bodies to set millages
- **Aug**: Assessment Review Period (tax rolls are open for two weeks)
- **Sep**: Certify updated tax rolls
- **Sep**: Parish Council convenes and meets as Board of Review
- **Nov 15**: Deadline to deliver tax rolls to LA Tax Commission
- **Dec 1**: Sheriff/Tax collector mails tax bills
- **Dec 31**: Tax bills are due and become delinquent incurring costs, interest and penalties.

These materials are provided as a general guide to the procedures of the Assessor’s Office and the assistance that may be provided to taxpayers. It is not intended, in any manner, to serve as legal advice for any one particular case. Should any legal issues arise, it is recommended that an attorney be consulted. You are invited to contact the Assessor’s Office for any further information at (985) 809-8180.
Get the most current information, review past millage history, print & complete forms before you visit the Assessor’s Office, view your own assessment, calculate taxes and communicate with the Assessor’s Office on our website, www.stpao.org
Notes
Our mission is to serve the citizens of St. Tammany Parish with fairness, efficiency and responsiveness.