

HCS HJR 33 & 45 -- PROPERTY TAX ASSESSMENTS (Coleman)

COMMITTEE OF ORIGIN: Special Committee on Tax Reform

Upon voter approval, beginning January 1, 2025, this proposed Constitutional amendment provides that for all residential real property, the true value of such property will be deemed to be the same value determined at the most recent previous assessment of the property, or if the property has been sold since its most recent assessment, the true value of such property will be deemed to be the total fair market value of the compensation received by the seller for the sale of such property.

A new assessment or reassessment of residential real property, the assessed valuation of such property may be increased from the assessed valuation of such property determined at its most recent previous assessment but only to the extent that such an increase:

- (1) Incorporates the change in the Consumer Price Index since the most recent previous assessment or up to a 2% annual increase in the assessed valuation of the property, whichever is less; or
- (2) Reflects the value added to the property as a result of new construction or improvements made to the property.

In the event that residential real property is sold, the title company of the purchaser of any such property must send to the assessor, as soon as reasonably practicable after the purchase, a notarized copy of the sales contract of the property, and such document shall be considered a closed record under state law.

In the event that new construction or improvements are made to residential real property, such value will be the actual cost of the materials purchased for improvements made to the property. Documentation of actual costs must be sent to the assessor as soon as reasonably practicable after the completion of the new construction or improvements. Such documentation of costs or other documents will not be made available to any entity and will be used only by the assessor for the sole purpose of establishing the true value of the property.

Taxpayers who reach the age of 65 shall be exempt from any increases in the assessed valuation of their real property, provided that such property is used and occupied as their primary residence. The valuation of real property for these age-qualified taxpayers shall be based on the most recent assessed valuation of their primary residence for the tax year immediately preceding the year in which the age-qualified taxpayer became eligible for the exemption.

If an age-qualified taxpayer relocates, as soon as the new residence is established as the taxpayer's primary residence, the assessed valuation of their new primary residence shall be based on the most recent assessed valuation of the real property before the tax year that the age-qualified taxpayer became eligible again for the exemption.