

HJR 78 -- PROPERTY TAX ASSESSMENTS

SPONSOR: Coleman

Upon voter approval, beginning January 1, 2025, this proposed Constitutional amendment provides that the true value of all residential real property shall 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.

This Constitutional amendment shall apply to all residential real property that:

- (1) Has been maintained by the homeowner as his or her primary residence; or
- (2) Has been owned, used, or occupied by an owner who is 65 years of age or older, is liable for the payment of real property taxes on the residence, and is an owner of record or has a legal or equitable interest in the property as evidenced by a written instrument.

When a new assessment or reassessment of residential real property is conducted, 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 as follows:
 - (a) Such value shall be the actual cost of the materials purchased for improvements;
 - (b) Documentation of actual costs shall be sent to the assessor after the completion of the new construction or improvements;
 - (c) Such documentation of costs or other documents shall not be made available and shall be used only by the assessor for the sole purpose of establishing the true value of 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.

Taxpayers who reach the age of 65 during a tax year 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 acquires residential real property after reaching the age of 65 or older, the assessed valuation of the newly acquired real property 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, so long as it has been established that the newly acquired property is being maintained by the homeowner as his or her primary residence.

This bill is similar to HJR 33&45 (2023) and HJR 80 (2022).