HJR 150 -- TAXATION OF REAL PROPERTY

SPONSOR: Byrnes

Currently, if the assessed valuation of property, excluding the
value of new construction and improvements, increases by a larger
percentage than the increase in the general price level from the
previous year, the maximum authorized current levy applied must
be reduced to yield the same gross revenue from the property.
This limitation does not apply to taxes imposed that are related
to bonds or indebtedness.

Upon voter approval, this constitutional amendment repeals the
exclusion of property taxation related to bonds or indebtedness.
This amendment also provides that, if the total assessed
valuation of real property increases by a larger percentage than
the percentage increase in the general price level from the
previous year, the increase in the total assessed valuation must
be limited to the percentage increase in the general price level
from the previous year. If the total assessed valuation
increases by less than the general price level from the previous
year, there must be no increase in the total assessed valuation
when equalized. The calculation of total assessed valuation of
real property no longer excludes the value of new construction.

The amendment provides that, if the assessed valuation of a
subclass of real property increases by any percentage over the
previous year, the maximum authorized current levy applied to the
subclass must be reduced to yield the same gross revenue from
existing real property in the subclass that could have been
collected at the existing levy on the prior assessed value.
However, the county or political subdivision may adjust the
reduction to account for changes to the general price level.

If a political subdivision needs to increase the current levy
applied to a particular subclass of real property to yield the
same gross revenue as would had been collected at the existing
levy on the prior assessed value of the subclass, the political
subdivision must submit the question to the voters on the next
general election day.