



# News Release

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## FOR IMMEDIATE RELEASE

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### **Louisiana REALTORS Opposes Homestead Exemption Increase**

The Louisiana REALTORS Association has announced its opposition to expected attempts in the upcoming legislative session to raise the state's \$75,000 homestead exemption.

“Louisiana REALTORS understands and supports programs like the homestead exemption that help individuals obtain home ownership,” said 2009 association President Judy Burkett of Baton Rouge. “But raising the homestead exemption at this time would harm businesses and the state’s economic development efforts, thus impairing the overall real estate environment in the state.”

Burkett added that LR believes that any meaningful tax changes should only be considered after a thorough examination of the state’s entire tax structure.

The Louisiana Association of Business and Industry has compiled much of the data on the state’s homestead exemption that indicate increasing the homestead exemption would amount to one of the largest property tax increases on small business in the history of the state. Because of state constitutional mandates regarding assessed values and millage rates, increasing the homestead exemption would not result in lower tax collections or lower tax rates — instead, the tax burden of residential homeowners would be passed onto businesses, renters and middle class homeowners by imposing higher millage rates necessary to generate the same tax collections as the prior year. Businesses and industry already pay more than 80% of all property taxes paid in Louisiana.

In addition, Louisiana’s \$75,000 homestead exemption is already one of the highest in the country. The result is that more than 50 percent of Louisiana homeowners do not pay any property tax. Moreover, according to the Tax Foundation, a nonpartisan tax research group based in Washington, D.C., Louisiana property taxes are among the lowest in the nation. The Tax Foundation estimates the overall state/local tax burden for Louisiana taxpayers at 8.4 percent of income, 42nd out of 50 states, well below the national average of 9.7 percent. (<http://www.taxfoundation.org/research/topic/31.html>)

With more than 11,000 members statewide, Louisiana REALTORS is a member-based trade association established to assist its members in the business of real estate in Louisiana. LR represents its membership on important real estate-related issues to state and federal government, while providing legal assistance, professional development opportunities, discounts and unique services for its membership.

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#### Mission Statement:

*The Louisiana REALTORS® provides optimum services and benefits to its REALTOR® members and works to enhance the perception of the real estate industry among the general public.*