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DEPARTMENT OF JUSTICE
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February 5, 2026
OPINION 26-0006

The Honorable Royce Duplessis
State Senator – District 5
643 Magazine Street, Suite 302
New Orleans, LA 70130

129 – TAXATION – Levy & Assessment

The Honorable Bobby W. Edmiston
Bossier Parish Assessor
204 Burt Blvd.
P.O. Box 325
Benton, LA 71006

La. Const. art. VII, § 20
La. Const. art. VII, § 21(K)

Answers several questions regarding the interpretation and implementation of Act 172 of the 2022 Regular Session concerning ad valorem tax exemptions for disabled veterans.

Dear Senator Duplessis and Mr. Edmiston:

You have each requested an opinion from this office concerning Act 172 of the 2022 Regular Session of the Legislature ("Act 172"). Act 172 amended La. Const. art. VII, § 21(K), which expanded ad valorem tax exemptions received by disabled veterans. Because the questions are related and implicate common legal principles, we address them together in a consolidated response.

Question #1: Does the first \$7,500 of the assessed value of property covered by the homestead exemption and owned by a qualifying disabled veteran remain subject to municipal taxes pursuant to Art. VII, § 20(A)(9) of the Louisiana Constitution in light of the disabled military veteran's exemption which exempts remaining portions of assessed value from all ad valorem taxation?

Conclusion: Yes. The disabled military veteran's exemption provided by La. Const. art. VII, § 21(K) does not affect the provisions of La. Const. Art. § 20(A)(9), which confines the homestead exemption on the first \$7,500 of assessed value to state, parish and special ad valorem taxes, but not municipal ad valorem taxes.

In Louisiana, the bona fide homestead is exempt from state, parish, and special ad valorem taxes to the extent of the first \$7,500 in assessed value (subject to certain restrictions). La. Const. art. VII, § 20(A)(1). This is commonly referred to as the *homestead exemption* and is codified in La. Const. art. VII, § 20 ("Section 20"). Notably, the homestead exemption does not apply to ad valorem taxes levied by municipalities, with certain exceptions in Orleans Parish. La. Const. art. VII, § 20(A)(9).

In contrast to Section 20, Louisiana Constitution art. VII, § 21 (“Section 21”) sets forth exclusive exemptions from *all* ad valorem taxation (state, parish, municipal and special ad valorem taxes) for specific types of property. In 2022, Louisiana citizens adopted a constitutional amendment to Section 21, adding a new ad valorem tax exemption based on service-connected disability ratings for disabled military veterans who own and occupy their homes. These military veterans already qualify for the traditional homestead exemption on the first \$7,500 in assessed value pursuant to Section 20. Now, pursuant to Section 21, a disabled military veteran is eligible for an additional exemption based on their service-connected disability rating as follows:

- **50% disability:** Additional exemption on the next \$2,500 of assessed value.
- **75% disability:** Additional exemption on the next \$4,500 of assessed value.
- **100% disability:** Full exemption on the remaining assessed value.

This is clear based on the language of La. Const. art. VII, § 21(K)(1)(a), which provides, in pertinent part:

*In addition to the homestead exemption authorized pursuant to the provisions of Section 20 of this Article, which applies to the first seven thousand five hundred dollars of the assessed valuation of property, the next two thousand five hundred dollars of the assessed valuation of property receiving the homestead exemption that is owned and occupied by a veteran with a service-connected disability rating of fifty percent or more but less than seventy percent by the United States Department of Veterans Affairs shall be exempt from ad valorem taxation.*¹

(Emphasis added.) The language of the exemption is clear and unambiguous that this exemption is *in addition to the homestead exemption* as it applies to the *next* \$2,500 of the assessed valuation of property owned and occupied by a veteran with a service-connected disability rating of at least 50%. We note that, with regard to service-connected disability ratings of 50%, Section 21(K)(1)(a) provides that, if the property eligible for the exemption provided for in this Subparagraph has an assessed value in excess of \$10,000, ad valorem property taxes shall apply to the assessment in excess of \$10,000.

The ad valorem tax exemptions listed in Section 21 of the constitution are exempt from all ad valorem taxes, including municipal taxes. Thus, the prefatory clause “in addition to the homestead exemption” is identifying the *type of property* that qualifies for the disabled veteran exemption; not limiting the exemption to only parish ad valorem taxes as does the homestead exemption. In other words, the homestead exemption and the disabled military veteran’s exemption are connected in the sense that the home ownership criteria for the homestead exemption also applies to the disabled military veteran’s exemption.

¹ La. Const. art. VII § 21(K)(1)(b) and (c) provide the exemptions for 75% and 100% disability ratings.

Essentially, a qualifying disabled veteran can only seek the additional exemption on the same property claiming the bona fide homestead exemption.

Question # 2: Is the portion of the assessed value owned by a qualifying disabled veteran that exceeds \$7,500 of assessed value exempt from municipal taxes?

Conclusion: Yes. Any exemption provided by La. Const. art. VII, § 21(K) applies to the remaining assessed value beyond the first \$7,500 of assessed value as explained below.

Applying the above interpretation to La. Const. art. VII, § 21(K)(1)(a) results in the first \$7,500 of assessed value owned by a veteran with a 50% service-connected disability rating being subject to municipal, but not state, parish or special ad valorem taxes. The next \$2,500 in assessed value is exempt from *all* ad valorem taxes. Any remaining assessed value is subject to all ad valorem taxes.

The same applies to a veteran with a 75% service-connected disability rating. The first \$7,500 of assessed value owned is subject to municipal, but not state, parish or special ad valorem taxes. The next \$4,500 in assessed value is exempt from all ad valorem taxes. Any remaining assessed value is subject to all ad valorem taxes.

Finally, for a veteran with a 100% service-connected disability rating, the first \$7,500 of assessed value owned is similarly subject to municipal, but not state, parish or special ad valorem taxes. But because of the additional full exemption provided by La. Const. art. VII, § 21(K)(1)(c), any remaining assessed value is exempt from all ad valorem taxes.

Question #3: Pursuant to La. Const. art. VII, §21(K) and La. R.S. 47:1706, how is the additional assessed-value exemption for a disabled veteran applied when the homestead property is owned in indivision with a spouse or other co-owner?

Conclusion: When a qualifying disabled veteran owns and occupies a homestead property in indivision, the additional exemption provided by La. Const. art. VII, §21(K) applies to the full property, consistent with the manner in which the homestead exemption is applied under La. Const. art. VII, §20(A)(1). Pro rata application is required only where ownership interests are distinguishable pursuant to La. Const. art. VII, §20(A)(6).

Generally, La. Const. art. VII, § 20(A)(1) provides that the homestead exemption applies fully to the primary residence owned and occupied by any person or persons owning the property in indivision. Ownership in indivision is defined by La. C.C. art. 797 as "[o]wnership of the same thing by two or more persons. . . ." Article 797 also provides that absent any other provision of law or juridical act, the shares of all co-owners are presumed to be equal. As such, when property subject to the disabled veteran's military exemption is owned in indivision, such as a qualifying disabled veteran and their spouse, the exemption applies fully to the entire property.

Question #4: How much of an exemption does a veteran with a 100% service-connected disability qualify for under Section 21(K) if the veteran and his spouse own a property in indivision and have donated a separate fifty percent (50%) ownership interest in the property to their daughter without retaining a usufruct?

Conclusion: The disabled veteran is entitled to claim the exemption provided by La. Const. art. VII, §21(K) with respect to the entire ownership interest held in indivision with his spouse, but the exemption does not apply to the separately owned interest held by the daughter.

When determining how to apply the disabled veteran's exemption to property with multiple owners, the analysis begins with the ownership principles governing the bona fide homestead exemption. As previously discussed, the disabled military veteran's exemption under La. Const. art. VII, §21(K) is provided *in addition to* the homestead exemption and is conditioned upon qualification for that exemption. Accordingly, absent constitutional or statutory authority to the contrary, the same ownership rules applicable to the homestead exemption govern the application of the disabled veteran's exemption.

In the scenario presented, the veteran and his spouse own fifty percent (50%) of the property in indivision, while the remaining fifty percent (50%) ownership interest has been donated to their daughter and is therefore a separate and distinguishable ownership interest. Because the property is no longer owned entirely in indivision, La. Const. art. VII, §20(A)(6) governs the allocation of exemptions among the separate ownership interests.

Under Section 20(A)(6), the homestead exemption applies only to the ownership interest held by those persons who qualify for the exemption, and tax liability is determined based on each owner's respective share of the taxable value. In this context, the homestead exemption applies to the fifty percent (50%) ownership interest held in indivision by the veteran and his spouse, but not to the separately owned interest held by the daughter.

The additional disabled veteran's exemption provided by La. Const. art. VII, §21(K) follows the same allocation principles. Thus, where a qualifying disabled veteran owns property in indivision with a spouse, the exemption applies fully to that indivision ownership interest. However, the exemption does not extend to a separately owned interest held by a non-qualifying third party.

Accordingly, a veteran with a 100% service-connected disability is entitled to a full exemption from ad valorem taxation on the assessed value attributable to the fifty percent (50%) ownership interest held in indivision with his spouse, while the remaining fifty percent (50%) ownership interest held by the daughter remains subject to ad valorem taxation.

Example: Split Ownership with a Qualified Veteran

- Home FMV: \$500,000 (\$50,000 assessed value)

- Homestead Exemption: \$75,000 (translates to \$7,500 assessed value)
- Tax Rate: 1% of FMV
- Ownership Split:
 - Persons A and B own 50% of the property in indivision (Person A is a veteran with a qualified service-connected disability; Person B is the veteran's spouse)
 - Person C owns the remaining 50% interest separately

Steps:

1. Allocation of Ownership Interests (Assessed Value):

- Persons A and B (50% indivision interest): $\$50,000 \times 0.5 = \$25,000$ assessed value
- Person C (50% separate interest): $\$50,000 \times 0.5 = \$25,000$ assessed value

2. Application of the Homestead Exemption:

- The homestead exemption of \$7,500 in assessed value is applied only to the ownership interest held in indivision by Persons A and B.
 - 1. Persons A and B: $\$25,000 - \$7,500 = \$17,500$ assessed value remaining
 - 2. Person C: \$25,000 assessed value (no homestead exemption applies)

3. Veteran's Exemption Adjustments (Applied to the Indivision Interest Only):

- **For 50% Disability:**
 - 1. Additional exemption of \$2,500 assessed value applies to the indivision interest.
Adjusted assessed value: $\$17,500 - \$2,500 = \$15,000$
Taxable FMV: \$150,000
Tax liability: $\$150,000 \times 0.01 = \$1,500$
- **For 75% Disability:**
 - 1. Additional exemption of \$4,500 assessed value applies to the indivision interest.
 - 2. Adjusted assessed value: $\$17,500 - \$4,500 = \$13,000$
 - 3. Taxable FMV: \$130,000
 - 4. Tax liability: $\$130,000 \times 0.01 = \$1,300$
- **For 100% Disability:**
 - 1. Full exemption applies to the remaining assessed value of the indivision interest.
 - 2. Adjusted assessed value: $\$17,500 - \$17,500 = \$0$
 - 3. Tax liability: \$0

4. Tax Liability for Separately Owned Interest:

- Person C's assessed value remains \$25,000
- Taxable FMV: \$250,000
- Tax liability: $\$250,000 \times 0.01 = \$2,500$

Final Breakdown:

- **Persons A and B (50% indivision ownership):**
 - With 50% disability: Owe \$1,500
 - With 75% disability: Owe \$1,300
 - With 100% disability: Owe \$0
- **Person C (50% separate ownership):**
 - Owes \$2,500

In light of the foregoing, it is the opinion of this office that when a qualifying disabled veteran owns a homestead property in indivision with a spouse, the exemption provided by La. Const. art. VII, §21(K) applies fully to that indivision ownership interest, but does not extend to separately owned interests held by non-qualifying third parties.

Question #5: Can a disabled veteran who has donated his ownership interest to another party, but retains a usufruct, still qualify for the exemption under Section 21(K)?

Conclusion: The veteran would qualify if he meets the qualifications of La. Const. art. VII, § 20(A)(4), such that the usufruct has been granted to no more than two usufructuaries who were the immediate prior owners of the property, and the property is occupied by such a usufructuary. In addition, the property at issue must have qualified for the homestead exemption immediately prior to the granting of the usufruct.

Your final question must also be analyzed with respect to the homestead exemption provisions. You ask whether a disabled veteran who has donated his interest to another party, but retains a usufruct, still qualifies for the disabled veteran exemption. Section 20(A)(4) states that the homestead exemption extends to property where the usufruct has been granted to no more than two usufructuaries who were the immediate prior owners of the property, and the property is occupied by such a usufructuary. In addition, Section 20(A)(4) also requires that the property must have qualified for the homestead exemption immediately prior to the granting of the usufruct or would have qualified for the homestead exemption if the usufruct had not been granted. Thus, if the property qualifies for the homestead exemption under La. Const. art. VII, § 20(A)(4), then a usufructuary who is also a disabled veteran would qualify for the disabled veteran ad valorem tax exemption in La. Const. art. VII, § 21(K).

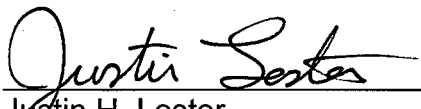
Considering the foregoing, it is the opinion of this office that the disabled military veteran's exemption provided by La. Const. art. VII, § 21(K) does not affect the provisions of La. Const. Art. § 20(A)(9), which provides a homestead exemption to state, parish and special ad valorem taxes, but not municipal ad valorem taxes. In addition, a disabled veteran that has partial ownership of a property may claim the same pro rata share of the disabled veteran exemption in La. Const. art. VII, § 21(K) that he claims for the homestead exemption pursuant to La. Const. art. VII, § 20(A)(6). Finally, a disabled veteran that has

usufruct over property that qualifies for the homestead exemption under La. Const. art. VII, § 20(A)(4), may also claim the disabled veteran exemption under La. Const. art. VII, § 21(K) on that property.

We trust this adequately responds to your request. However, if our office can be of further assistance, please do not hesitate to contact us.

Yours very truly,

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BY: 
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