

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS  
FISCAL IMPACT STATEMENT**

**LS 6549**  
**BILL NUMBER: SB 129**

**NOTE PREPARED:** Jan 21, 2025  
**BILL AMENDED:** Jan 21, 2025

**SUBJECT:** Landlocked Property.

**FIRST AUTHOR:** Sen. Buck  
**FIRST SPONSOR:**

**BILL STATUS:** CR Adopted - 1<sup>st</sup> House

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** Local

**Summary of Legislation:**(Amended) This bill defines "landlocked property" as real property that has been shut off from all public highways as a result of the vacation of one or more public highways. It provides that if an action of the state, or an agency or political subdivision of the state, causes real property to become landlocked property, the county assessor of the county in which the landlocked property is located must assess the value of the landlocked property at the same rate that native forest land, a forest plantation, or wildlands are assessed for as long as the property qualifies as landlocked property.

**Effective Date:** January 1, 2025 (retroactive).

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** (Revised) *Landlocked Property:* This bill establishes that the county assessor of the county in which the landlocked property is located must assess the value of the landlocked property using the same land base rate that is applied to native forest land, a forest plantation, or wildlands (i.e., "classified land") for as long as the property qualifies as landlocked property. Valuing these properties at the classified land base rate may potentially result in a decrease in the assessed value base for certain taxing units, which may increase tax rates and shift some taxes to other taxpayers. In addition, the higher tax rates may result in a local revenue reduction due to higher tax cap losses. The actual reduction in property tax revenue will be contingent on factors like the number of properties being classified as landlocked and the amount of assessed value associated with each property had the property kept its original (i.e., pre-landlocked) classification.

**State Agencies Affected:**

**Local Agencies Affected:** County assessors.

**Information Sources:**

**Fiscal Analyst:** James Johnson, 317-232-9869.