

2024 Regular Session

HOUSE BILL NO. 321

BY REPRESENTATIVE RISER

SEIZURES/SALES: Provides relative to the homestead exemption from seizure and sale

1 AN ACT

2 To amend and reenact R.S. 20:1, relative to homestead exemptions; to provide exceptions;
3 to increase the amount of acreage exempt from seizure and sale; to increase the value
4 of the exemption; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 20:1 is hereby amended and reenacted to read as follows:

7 §1. Declaration of homestead; exemption from seizure and sale; debts excluded
8 from exemption; waiver; certain proceeds from property insurance
9 exempted

10 A.(1) The bona fide homestead consists of a residence occupied by the
11 owner and the land on which the residence is located, including any building and
12 appurtenances located thereon, and any contiguous tracts up to a total of ~~five~~ ten
13 acres if the residence is within a municipality, or up to a total of two hundred acres
14 of land if the residence is not located in a municipality.

15 (2) The homestead is exempt from seizure and sale under any writ, mandate,
16 or process whatsoever, except as provided by Subsections C and D of this Section.
17 This exemption extends to ~~thirty-five thousand dollars in~~ the full value of the
18 homestead, ~~except in the case of obligations arising directly as a result of a~~
19 ~~catastrophic or terminal illness or injury, in which case the exemption shall apply to~~
20 ~~the full value of the homestead based upon its value one year before such seizure.~~

1 This homestead exemption from seizure and sale shall extend automatically to the
2 proceeds from any property insurance policy received as a result of damage caused
3 by a gubernatorially declared disaster to a homestead and that are held separately in
4 an escrow account identified as insurance proceeds paid from the damage of a
5 homestead for its repair or replacement.

6 ~~(3) For the purposes of this Section, "catastrophic or terminal illness or~~
7 ~~injury" shall mean an illness or injury which creates uninsured obligations to health~~
8 ~~care providers of more than ten thousand dollars and which are greater than fifty~~
9 ~~percent of the annual adjusted gross income of the debtor, as established by an~~
10 ~~average of federal income tax returns for the three preceding years.~~

11 * * *

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 321 Original 2024 Regular Session Riser

Abstract: Increases the amount of acreage and value of the homestead exemption.

Present law provides that the homestead consists of a residence occupied by the owner and the land on which the residence is located, including any building and appurtenances, and any contiguous tracts up to a total of five acres if the residence is within a municipality, or up to a total of two hundred acres of land if the residence is not located in a municipality.

Proposed law retains present law but increases the homestead acreage from five acres to 10 acres for land within a municipality.

Present law provides that the homestead is exempt from seizure and sale under any writ, mandate, or process whatsoever, except as provided by present law. Present law also provides that the exemption extends to \$35,000 in value of the homestead or the full value one year before a seizure in cases of obligations arising directly as a result of a catastrophic or terminal illness or injury.

Present law provides that the homestead exemption from seizure and sale extends automatically to the proceeds from any property insurance policy received as a result of damage caused by a gubernatorially declared disaster to a homestead and that are held separately in an escrow account identified as insurance proceeds paid from the damage of a homestead for its repair or replacement.

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

Proposed law retains present law but removes the "catastrophic or terminal illness" exception. Proposed law instead increases the value of the homestead exemption from \$35,000 to the full value of the homestead in any case. Proposed law also removes the definition of "catastrophic or terminal illness" from present law.

(Amends R.S. 20:1)