

By: Bohac

H.J.R. No. 74

A JOINT RESOLUTION

1 proposing a constitutional amendment increasing the amount of the
2 residence homestead exemption from ad valorem taxation for public
3 school purposes and providing for a reduction of the limitation on
4 the total amount of ad valorem taxes that may be imposed for those
5 purposes on the homestead of an elderly or disabled person to
6 reflect the increased exemption amount.

7 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

8 SECTION 1. Sections ~~1-b~~(c) and (d), Article VIII, Texas
9 Constitution, are amended to read as follows:

10 (c) The amount of \$25,000 [~~Fifteen Thousand Dollars~~
11 ~~(\$15,000)~~] of the market value of the residence homestead of a
12 married or unmarried adult, including one living alone, is exempt
13 from ad valorem taxation for general elementary and secondary
14 public school purposes. The legislature by general law may provide
15 that all or part of the exemption does not apply to a district or
16 political subdivision that imposes ad valorem taxes for public
17 education purposes but is not the principal school district
18 providing general elementary and secondary public education
19 throughout its territory. In addition to this exemption, the
20 legislature by general law may exempt an amount not to exceed [~~Ten~~
21 ~~Thousand Dollars~~ (~~+~~) \$10,000(~~+~~) of the market value of the residence
22 homestead of a person who is disabled as defined in Subsection (b)
23 of this section and of a person [~~sixty-five~~ (~~+~~) 65(~~+~~) years of age or
24 older from ad valorem taxation for general elementary and secondary

1 public school purposes. The legislature by general law may base the
 2 amount of and condition eligibility for the additional exemption
 3 authorized by this subsection for disabled persons and for persons
 4 [~~sixty-five~~(-) 65(+)] years of age or older on economic need. An
 5 eligible disabled person who is [~~sixty-five~~(-) 65(+)] years of age or
 6 older may not receive both exemptions from a school district but may
 7 choose either. An eligible person is entitled to receive both the
 8 exemption required by this subsection for all residence homesteads
 9 and any exemption adopted pursuant to Subsection (b) of this
 10 section, but the legislature shall provide by general law whether
 11 an eligible disabled or elderly person may receive both the
 12 additional exemption for the elderly and disabled authorized by
 13 this subsection and any exemption for the elderly or disabled
 14 adopted pursuant to Subsection (b) of this section. Where ad
 15 valorem tax has previously been pledged for the payment of debt, the
 16 taxing officers of a school district may continue to levy and
 17 collect the tax against the value of homesteads exempted under this
 18 subsection until the debt is discharged if the cessation of the levy
 19 would impair the obligation of the contract by which the debt was
 20 created. The legislature shall provide for formulas to protect
 21 school districts against all or part of the revenue loss incurred by
 22 the implementation of this subsection, Subsection (d) of this
 23 section, and Section 1-d-1 of this article [~~Article VIII, Sections~~
 24 ~~1-b(c), 1-b(d), and 1-d-1, of this constitution~~]. The legislature
 25 by general law may define residence homestead for purposes of this
 26 section.

27 (d) Except as otherwise provided by this subsection, if a

1 person receives a residence homestead exemption prescribed by
2 Subsection (c) of this section for homesteads of persons who are
3 [~~sixty-five~~() 65(+)] years of age or older or who are disabled, the
4 total amount of ad valorem taxes imposed on that homestead for
5 general elementary and secondary public school purposes may not be
6 increased while it remains the residence homestead of that person
7 or that person's spouse who receives the exemption. If a person
8 [~~sixty-five~~() 65(+)] years of age or older dies in a year in which
9 the person received the exemption, the total amount of ad valorem
10 taxes imposed on the homestead for general elementary and secondary
11 public school purposes may not be increased while it remains the
12 residence homestead of that person's surviving spouse if the spouse
13 is [~~fifty-five~~() 55(+)] years of age or older at the time of the
14 person's death, subject to any exceptions provided by general law.
15 The legislature, by general law, may provide for the transfer of all
16 or a proportionate amount of a limitation provided by this
17 subsection for a person who qualifies for the limitation and
18 establishes a different residence homestead. However, taxes
19 otherwise limited by this subsection may be increased to the extent
20 the value of the homestead is increased by improvements other than
21 repairs or improvements made to comply with governmental
22 requirements and except as may be consistent with the transfer of a
23 limitation under this subsection. For a residence homestead
24 subject to the limitation provided by this subsection in the 1996
25 tax year or an earlier tax year, the legislature shall provide for a
26 reduction in the amount of the limitation for the 1997 tax year and
27 subsequent tax years in an amount equal to \$10,000 multiplied by the

1 1997 tax rate for general elementary and secondary public school
2 purposes applicable to the residence homestead. For a residence
3 homestead subject to the limitation provided by this subsection in
4 the 2015 tax year or an earlier tax year, the legislature shall
5 provide for a reduction in the amount of the limitation for the 2016
6 tax year and subsequent tax years in an amount equal to \$10,000
7 multiplied by the 2016 tax rate for general elementary and
8 secondary public school purposes applicable to the residence
9 homestead.

10 SECTION 2. The following temporary provision is added to
11 the Texas Constitution:

12 TEMPORARY PROVISION. (a) This temporary provision applies
13 to the constitutional amendment proposed by the 84th Legislature,
14 Regular Session, 2015, increasing the amount of the residence
15 homestead exemption from ad valorem taxation for public school
16 purposes and providing for a reduction of the limitation on the
17 total amount of ad valorem taxes that may be imposed for those
18 purposes on the homesteads of the elderly or disabled to reflect the
19 increased exemption amount.

20 (b) The amendment to Sections 1-b(c) and (d), Article VIII,
21 of this constitution takes effect January 1, 2016, and applies only
22 to a tax year beginning on or after that date.

23 (c) This temporary provision expires January 1, 2017.

24 SECTION 3. This proposed constitutional amendment shall be
25 submitted to the voters at an election to be held November 3, 2015.
26 The ballot shall be printed to permit voting for or against the
27 proposition: "The constitutional amendment increasing the amount

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1 of the residence homestead exemption from ad valorem taxation for
2 public school purposes from \$15,000 to \$25,000 and providing for a
3 reduction of the limitation on the total amount of ad valorem taxes
4 that may be imposed for those purposes on the homestead of an
5 elderly or disabled person to reflect the increased exemption
6 amount."