

By: Schofield

H.J.R. No. 4

A JOINT RESOLUTION

1 proposing a constitutional amendment providing for an exemption  
2 from ad valorem taxation for public school purposes of a dollar  
3 amount or a percentage, whichever is greater, of the market value of  
4 a residence homestead and providing for a reduction of the  
5 limitation on the total amount of ad valorem taxes that may be  
6 imposed for those purposes on the homestead of a person who is  
7 elderly or disabled to reflect any increase in the exemption  
8 amount.

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

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

12 (c) The amount of \$25,000 of the market value of the  
13 residence homestead of a married or unmarried adult, including one  
14 living alone, or 16.7 percent of the market value of the residence  
15 homestead, whichever is greater, is exempt from ad valorem taxation  
16 for general elementary and secondary public school purposes. The  
17 legislature by general law may provide that all or part of the  
18 exemption does not apply to a district or political subdivision  
19 that imposes ad valorem taxes for public education purposes but is  
20 not the principal school district providing general elementary and  
21 secondary public education throughout its territory. In addition  
22 to this exemption, the legislature by general law may exempt an  
23 amount not to exceed \$10,000 of the market value of the residence  
24 homestead of a person who is disabled as defined in Subsection (b)

1 of this section and of a person 65 years of age or older from ad  
2 valorem taxation for general elementary and secondary public school  
3 purposes. The legislature by general law may base the amount of and  
4 condition eligibility for the additional exemption authorized by  
5 this subsection for disabled persons and for persons 65 years of age  
6 or older on economic need. An eligible disabled person who is 65  
7 years of age or older may not receive both exemptions from a school  
8 district but may choose either. An eligible person is entitled to  
9 receive both the exemption required by this subsection for all  
10 residence homesteads and any exemption adopted pursuant to  
11 Subsection (b) of this section, but the legislature shall provide  
12 by general law whether an eligible disabled or elderly person may  
13 receive both the additional exemption for the elderly and disabled  
14 authorized by this subsection and any exemption for the elderly or  
15 disabled adopted pursuant to Subsection (b) of this section. Where  
16 ad valorem tax has previously been pledged for the payment of debt,  
17 the taxing officers of a school district may continue to levy and  
18 collect the tax against the value of homesteads exempted under this  
19 subsection until the debt is discharged if the cessation of the levy  
20 would impair the obligation of the contract by which the debt was  
21 created. The legislature shall provide for formulas to protect  
22 school districts against all or part of the revenue loss incurred by  
23 the implementation of this subsection, Subsection (d) of this  
24 section, and Section 1-d-1 of this article. The legislature by  
25 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 65  
3 years of age or older or who are disabled, the total amount of ad  
4 valorem taxes imposed on that homestead for general elementary and  
5 secondary public school purposes may not be increased while it  
6 remains the residence homestead of that person or that person's  
7 spouse who receives the exemption. If a person 65 years of age or  
8 older dies in a year in which the person received the exemption, the  
9 total amount of ad valorem taxes imposed on the homestead for  
10 general elementary and secondary public school purposes may not be  
11 increased while it remains the residence homestead of that person's  
12 surviving spouse if the spouse is 55 years of age or older at the  
13 time of the person's death, subject to any exceptions provided by  
14 general law. The legislature, by general law, may provide for the  
15 transfer of all or a proportionate amount of a limitation provided  
16 by this subsection for a person who qualifies for the limitation and  
17 establishes a different residence homestead. However, taxes  
18 otherwise limited by this subsection may be increased to the extent  
19 the value of the homestead is increased by improvements other than  
20 repairs or improvements made to comply with governmental  
21 requirements and except as may be consistent with the transfer of a  
22 limitation under this subsection. For a residence homestead  
23 subject to the limitation provided by this subsection in the 1996  
24 tax year or an earlier tax year, the legislature shall provide for a  
25 reduction in the amount of the limitation for the 1997 tax year and  
26 subsequent tax years in an amount equal to \$10,000 multiplied by the  
27 1997 tax rate for general elementary and secondary public school

1 purposes applicable to the residence homestead. For a residence  
2 homestead subject to the limitation provided by this subsection in  
3 the 2014 tax year or an earlier tax year, the legislature shall  
4 provide for a reduction in the amount of the limitation for the 2015  
5 tax year and subsequent tax years in an amount equal to \$10,000  
6 multiplied by the 2015 tax rate for general elementary and  
7 secondary public school purposes applicable to the residence  
8 homestead. For a residence homestead subject to the limitation  
9 provided by this subsection in the 2021 tax year or an earlier tax  
10 year that has a market value in the 2022 tax year of more than  
11 \$149,701, the legislature shall provide for a reduction in the  
12 amount of the limitation for the 2022 tax year and subsequent tax  
13 years in an amount equal to the amount computed by subtracting  
14 \$25,000 from an amount equal to 16.7 percent of the market value of  
15 the homestead in the 2022 tax year and multiplying that amount by  
16 the 2022 tax rate for general elementary and secondary public  
17 school purposes applicable to the residence homestead.

18 SECTION 2. The following temporary provision is added to  
19 the Texas Constitution:

20 TEMPORARY PROVISION. (a) This temporary provision applies  
21 to the constitutional amendment proposed by the 87th Legislature,  
22 1st Called Session, 2021, providing for an exemption from ad  
23 valorem taxation for public school purposes of a dollar amount or a  
24 percentage, whichever is greater, of the market value of a  
25 residence homestead and providing for a reduction of the limitation  
26 on the total amount of ad valorem taxes that may be imposed for  
27 those purposes on the homestead of a person who is elderly or

1 disabled to reflect any increase in the exemption amount.

2 (b) The amendment to Sections 1-b(c) and (d), Article VIII,  
3 of this constitution takes effect January 1, 2022, and applies only  
4 to a tax year beginning on or after that date.

5 (c) This temporary provision expires January 1, 2023.

6 SECTION 3. This proposed constitutional amendment shall be  
7 submitted to the voters at an election to be held November 2, 2021.  
8 The ballot shall be printed to permit voting for or against the  
9 proposition: "The constitutional amendment providing for an  
10 exemption from ad valorem taxation for public school purposes of  
11 \$25,000 or 16.7 percent, whichever is greater, of the market value  
12 of a residence homestead and providing for a reduction of the  
13 limitation on the total amount of ad valorem taxes that may be  
14 imposed for those purposes on the homestead of a person who is  
15 elderly or disabled to reflect any increase in the exemption  
16 amount."