

By: Schofield

H.J.R. No. 14

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. Section 1-b(c), Article VIII, Texas
11 Constitution, is 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 SECTION 2. (a) This section takes effect only if the

1 constitutional amendment proposed by H.J.R. No. 125, 87th
2 Legislature, Regular Session, 2021, is approved by the voters. If
3 that amendment is not approved by the voters, this section has no
4 effect.

5 (b) Section 1-b(d), Article VIII, Texas Constitution, is
6 amended to read as follows:

7 (d) Except as otherwise provided by this subsection, if a
8 person receives a residence homestead exemption prescribed by
9 Subsection (c) of this section for homesteads of persons who are 65
10 years of age or older or who are disabled, the total amount of ad
11 valorem taxes imposed on that homestead for general elementary and
12 secondary public school purposes may not be increased while it
13 remains the residence homestead of that person or that person's
14 spouse who receives the exemption. If a person who is 65 years of
15 age or older or who is disabled dies in a year in which the person
16 received the exemption, the total amount of ad valorem taxes
17 imposed on the homestead for general elementary and secondary
18 public school purposes may not be increased while it remains the
19 residence homestead of that person's surviving spouse if the spouse
20 is 55 years of age or older at the time of the person's death,
21 subject to any exceptions provided by general law. The
22 legislature, by general law, may provide for the transfer of all or
23 a proportionate amount of a limitation provided by this subsection
24 for a person who qualifies for the limitation and establishes a
25 different residence homestead. However, taxes otherwise limited
26 by this subsection may be increased to the extent the value of the
27 homestead is increased by improvements other than repairs or

1 improvements made to comply with governmental requirements and
2 except as may be consistent with the transfer of a limitation under
3 this subsection. For a residence homestead subject to the
4 limitation provided by this subsection in the 1996 tax year or an
5 earlier tax year, the legislature shall provide for a reduction in
6 the amount of the limitation for the 1997 tax year and subsequent
7 tax years in an amount equal to \$10,000 multiplied by the 1997 tax
8 rate for general elementary and secondary public school purposes
9 applicable to the residence homestead. For a residence homestead
10 subject to the limitation provided by this subsection in the 2014
11 tax year or an earlier tax year, the legislature shall provide for a
12 reduction in the amount of the limitation for the 2015 tax year and
13 subsequent tax years in an amount equal to \$10,000 multiplied by the
14 2015 tax rate for general elementary and secondary public school
15 purposes applicable to the residence homestead. For a residence
16 homestead subject to the limitation provided by this subsection in
17 the 2022 tax year or an earlier tax year that has a market value in
18 the 2023 tax year of more than \$149,701, the legislature shall
19 provide for a reduction in the amount of the limitation for the 2023
20 tax year and subsequent tax years in an amount equal to the amount
21 computed by subtracting \$25,000 from an amount equal to 16.7
22 percent of the market value of the homestead in the 2023 tax year
23 and multiplying that amount by the 2023 tax rate for general
24 elementary and secondary public school purposes applicable to the
25 residence homestead.

26 SECTION 3. (a) This section takes effect only if the
27 constitutional amendment proposed by H.J.R. No. 125, 87th

1 Legislature, Regular Session, 2021, is not approved by the voters.
2 If that amendment is approved by the voters, this section has no
3 effect.

4 (b) Section 1-b(d), Article VIII, Texas Constitution, is
5 amended to read as follows:

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

1 limitation under this subsection. For a residence homestead
2 subject to the limitation provided by this subsection in the 1996
3 tax year or an earlier tax year, the legislature shall provide for a
4 reduction in the amount of the limitation for the 1997 tax year and
5 subsequent tax years in an amount equal to \$10,000 multiplied by the
6 1997 tax rate for general elementary and secondary public school
7 purposes applicable to the residence homestead. For a residence
8 homestead subject to the limitation provided by this subsection in
9 the 2014 tax year or an earlier tax year, the legislature shall
10 provide for a reduction in the amount of the limitation for the 2015
11 tax year and subsequent tax years in an amount equal to \$10,000
12 multiplied by the 2015 tax rate for general elementary and
13 secondary public school purposes applicable to the residence
14 homestead. For a residence homestead subject to the limitation
15 provided by this subsection in the 2022 tax year or an earlier tax
16 year that has a market value in the 2023 tax year of more than
17 \$149,701, the legislature shall provide for a reduction in the
18 amount of the limitation for the 2023 tax year and subsequent tax
19 years in an amount equal to the amount computed by subtracting
20 \$25,000 from an amount equal to 16.7 percent of the market value of
21 the homestead in the 2023 tax year and multiplying that amount by
22 the 2023 tax rate for general elementary and secondary public
23 school purposes applicable to the residence homestead.

24 SECTION 4. The following temporary provision is added to
25 the Texas Constitution:

26 TEMPORARY PROVISION. (a) This temporary provision applies
27 to the constitutional amendment proposed by the 87th Legislature,

1 2nd Called Session, 2021, providing for an exemption from ad
2 valorem taxation for public school purposes of a dollar amount or a
3 percentage, whichever is greater, of the market value of a
4 residence homestead and providing for a reduction of the limitation
5 on the total amount of ad valorem taxes that may be imposed for
6 those purposes on the homestead of a person who is elderly or
7 disabled to reflect any increase in the exemption amount.

8 (b) The amendment to Sections 1-b(c) and (d), Article VIII,
9 of this constitution takes effect January 1, 2023, and applies only
10 to a tax year beginning on or after that date.

11 (c) This temporary provision expires January 1, 2024.

12 SECTION 5. This proposed constitutional amendment shall be
13 submitted to the voters at an election to be held November 8, 2022.
14 The ballot shall be printed to permit voting for or against the
15 proposition: "The constitutional amendment providing for an
16 exemption from ad valorem taxation for public school purposes of
17 \$25,000 or 16.7 percent, whichever is greater, of the market value
18 of a residence homestead and providing for a reduction of the
19 limitation on the total amount of ad valorem taxes that may be
20 imposed for those purposes on the homestead of a person who is
21 elderly or disabled to reflect any increase in the exemption
22 amount."