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H.B. No. 457

A BILL TO BE ENTITLED

AN ACT

1
2 relating to a local option exemption from ad valorem taxation by a
3 county of a portion of the value of the residence homestead of a
4 physician who provides health care services for which the physician
5 agrees not to seek payment from any source, including the Medicaid
6 program or otherwise from this state or the federal government, to
7 county residents who are indigent or who are Medicaid recipients.

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

9 SECTION 1. Section 11.13, Tax Code, is amended by amending
10 Subsection (i) and adding Subsection (s) to read as follows:

11 (i) The assessor and collector for a taxing unit may
12 disregard the exemptions authorized by Subsection (b), (c), (d),
13 ~~[or] (n), or (s) [of this section]~~ and assess and collect a tax
14 pledged for payment of debt without deducting the amount of the
15 exemption if:

16 (1) prior to adoption of the exemption, the unit
17 pledged the taxes for the payment of a debt; and

18 (2) granting the exemption would impair the obligation
19 of the contract creating the debt.

20 (s) For purposes of this subsection, "qualifying county
21 resident" means a resident of a county that adopts the exemption
22 provided by this subsection who is indigent or a Medicaid
23 recipient. In addition to any other exemptions provided by this
24 section, a licensed physician is entitled to an exemption from

1 taxation by a county of a percentage, not to exceed 50 percent, of
2 the appraised value of the physician's residence homestead if the
3 exemption is adopted by the commissioners court of the county in the
4 manner provided by law for official action by the commissioners
5 court. To be eligible to receive an exemption under this
6 subsection, a physician must provide health care services to
7 qualifying county residents and not seek payment for those services
8 from any source, including the Medicaid program or otherwise from
9 this state or the federal government. The commissioners court
10 shall specify in the order adopting the exemption the number of
11 qualifying county residents to whom a physician must provide health
12 care services during a tax year to be eligible to receive an
13 exemption under this subsection. The commissioners court may
14 express the number as a percentage of the physician's total
15 practice. The commissioners court shall submit to the chief
16 appraiser a copy of the order adopting the exemption and any
17 subsequent order adopted by the commissioners court that relates to
18 the exemption. The chief appraiser may require a physician seeking
19 an exemption under this subsection to present additional
20 information establishing eligibility for the exemption. The
21 commissioners court may repeal the exemption in the manner provided
22 by law for official action by the commissioners court.

23 SECTION 2. This Act applies only to ad valorem taxes imposed
24 for a tax year that begins on or after the effective date of this
25 Act.

26 SECTION 3. This Act takes effect January 1, 2022, but only
27 if the constitutional amendment proposed by the 87th Legislature,

1 Regular Session, 2021, authorizing a local option exemption from ad
2 valorem taxation by a county of a portion of the value of the
3 residence homestead of a physician who provides health care
4 services for which the physician agrees not to seek payment from any
5 source, including the Medicaid program or otherwise from this state
6 or the federal government, to county residents who are indigent or
7 who are Medicaid recipients is approved by the voters. If that
8 amendment is not approved by the voters, this Act has no effect.