

By: Cook

H.B. No. 3974

A BILL TO BE ENTITLED

AN ACT

1
2 relating to an exemption from ad valorem taxation by a taxing unit
3 located wholly or partly in a populous county of a specified dollar
4 amount, or a greater dollar amount specified by the governing body
5 of the taxing unit, of the appraised value of a residence homestead.

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

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

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

14 (1) prior to adoption of the exemption, the taxing
15 unit pledged the taxes for the payment of a debt; and

16 (2) granting the exemption would impair the obligation
17 of the contract creating the debt.

18 (s) This subsection applies only to a taxing unit located
19 wholly or partly in a county with a population of 200,000 or more.
20 In addition to any other exemptions provided by this section, an
21 individual is entitled to an exemption from taxation by a taxing
22 unit of \$25,000, or a greater dollar amount specified by the
23 governing body of the taxing unit before July 1 in the manner
24 provided by law for official action of the body, of the appraised

1 value of the individual's residence homestead.

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

5 SECTION 3. This Act takes effect January 1, 2024, but only
6 if the constitutional amendment proposed by the 88th Legislature,
7 Regular Session, 2023, authorizing the legislature to provide for
8 an exemption from ad valorem taxation by a political subdivision
9 located wholly or partly in a populous county of a specified dollar
10 amount, or a greater dollar amount specified by the governing body
11 of the political subdivision, of the assessed value of a residence
12 homestead is approved by the voters. If that amendment is not
13 approved by the voters, this Act has no effect.