

BILL ANALYSIS

H.B. 216
By: Hamric
Local Government Ways and Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Disabled homeowners do not qualify for the disabled exemption until January 1 of the year following the year in which they become disabled. House Bill 216 provides for disabled homeowners to receive their disability exemption effective January 1 of the year in which they qualify for the disability exemption.

Several provisions of the Tax Code provide benefits to over-65 and disabled homeowners occupying a home as their principal residence. Not all of the provisions apply to both over-65 and disabled homeowners.

Currently, homeowners qualify for the over-65 exemption for the entire year in which they reach the age of sixty-five. This is accomplished by making the exemption effective as of January 1st of the year in which the homeowner turns sixty-five.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

Providing disabled homeowners with an exemption in the year in which they become disabled is accomplished by deleting the words "for an individual 65 years of age or older" from Sections 11.42(c), 11.43(k), and 26.112 of the Tax Code. Also added are the words "or a residence homestead exemption for a disabled individual" to Section 26.10(b) of the Tax Code, and the words "or disabled" to Section 26.112 of the Tax Code.

EFFECTIVE DATE

January 1, 2004 and only applies to an ad valorem tax year that begins on or after that date.