

BILL ANALYSIS

H.J.R. 37
By: Gutierrez
Local Government Ways and Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Currently the Texas Constitution allows the legislature to exempt an amount up to \$10,000 of the market value of the residence homestead for an elderly or disabled individual. Disabled people and those that are over 65 often live on limited, fixed incomes and property values and rates might rise disproportionately to their incomes. In addition, since the establishment of the current Tax Code in 1979, this exemption has not been increased. Increasing the exemption would provide relief for the disparity between the income of people over 65 years of age and disabled people and their rising property taxes. HJR 37 proposes a constitutional amendment to authorize the legislature to increase the current tax exemption from \$10,000 to \$20,000.

RULEMAKING AUTHORITY

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

ANALYSIS

SECTION 1

Amends Section 1-b (c), Article VIII of the Texas Constitution to empower the Legislature to exempt Twenty Thousand Dollars (\$20,000) of the market value of a residence homestead of an individual who is either disabled or sixty-five years of age or older.

SECTION 2

Provides a temporary provision to the constitution to allow the 78th Legislature to increase the tax exemption. It also provides for the amendment to take effect on January 1, 2004 and for the temporary provision to expire January 2, 2004.

SECTION 3

Designates November 4, 2003 as the date for the amendment to be submitted to the voters and provides language for the ballot.

FOR ELECTION

November 4, 2003.