

By: Gutierrez

H.J.R. No. 38

A JOINT RESOLUTION

1 proposing a constitutional amendment to prohibit increases in ad
2 valorem taxes imposed by a political subdivision other than a
3 hospital district on the residence homestead of a disabled person,
4 an elderly person, or an elderly person's surviving spouse.

5 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

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

8 (d) Except as otherwise provided by this subsection, if a
9 person receives any ~~[the]~~ residence homestead exemption prescribed
10 by ~~[Subsection (c) of]~~ this section for homesteads of persons who
11 are disabled or are sixty-five (65) years of age or older, the total
12 amount of ad valorem taxes imposed on that homestead by a political
13 subdivision other than a hospital district in any tax year
14 following the first tax year in which the person received the
15 exemption ~~[for general elementary and secondary public school~~
16 ~~purposes]~~ may not be increased above the amount of taxes imposed by
17 that political subdivision in the preceding tax year while the
18 homestead ~~[it]~~ remains the residence homestead of that person or
19 that person's spouse who receives the exemption. If a person
20 ~~[sixty-five (65) years of age or older]~~ dies in a year in which the
21 person received an ~~[the]~~ exemption for the homestead of a person
22 sixty-five (65) years of age or older, the total amount of ad
23 valorem taxes imposed on the homestead by a political subdivision
24 other than a hospital district in any tax year following that tax

1 year [~~for general elementary and secondary public school purposes~~]
2 may not be increased above the amount of taxes imposed by that
3 political subdivision in the preceding tax year while the homestead
4 [~~it~~] remains the residence homestead of that person's surviving
5 spouse if the spouse is fifty-five (55) years of age or older at the
6 time of the person's death, subject to any exceptions provided by
7 general law. The legislature, by general law, may provide for the
8 transfer of all or a proportionate amount of a limitation provided
9 by this subsection for a person who qualifies for the limitation and
10 establishes a different residence homestead. However, taxes
11 otherwise limited by this subsection may be increased to the extent
12 the value of the homestead is increased by improvements other than
13 repairs or improvements made to comply with governmental
14 requirements and except as may be consistent with the transfer of a
15 limitation under this subsection. The limitations provided by this
16 subsection apply to taxes imposed on a residence homestead by a
17 school district whose boundaries are changed to include the
18 residence homestead as if the taxes imposed on the residence
19 homestead by the school district in which the residence homestead
20 was previously located had been imposed by the school district
21 whose boundaries include the residence homestead after the boundary
22 change. [~~For a residence homestead subject to the limitation~~
23 ~~provided by this subsection in the 1996 tax year or an earlier tax~~
24 ~~year, the legislature shall provide for a reduction in the amount of~~
25 ~~the limitation for the 1997 tax year and subsequent tax years in an~~
26 ~~amount equal to \$10,000 multiplied by the 1997 tax rate for general~~
27 ~~elementary and secondary public school purposes applicable to the~~

1 ~~residence homestead.]~~

2 SECTION 2. The following temporary provision is added to
3 the Texas Constitution:

4 TEMPORARY PROVISION. (a) This temporary provision applies to
5 the constitutional amendment proposed by the 78th Legislature,
6 Regular Session, 2003, to prohibit a political subdivision other
7 than a hospital district from increasing ad valorem taxes on the
8 residence homestead of a disabled person, an elderly person, or the
9 surviving spouse of an elderly person. This temporary provision
10 expires January 1, 2005.

11 (b) The amendment to Section 1-b(d), Article VIII, of this
12 constitution takes effect January 1, 2004. The limitations
13 provided by Section 1-b(d), as amended, on ad valorem tax increases
14 by political subdivisions other than hospital districts apply
15 beginning with taxes imposed for the 2004 tax year.

16 SECTION 3. This proposed constitutional amendment shall be
17 submitted to the voters at an election to be held November 4, 2003.
18 The ballot shall be printed to permit voting for or against the
19 proposition: "The constitutional amendment to prohibit a political
20 subdivision other than a hospital district from increasing ad
21 valorem taxes on the residence homestead of a disabled person, an
22 elderly person, or the surviving spouse of an elderly person."