

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION**

**April 22, 2003**

**TO:** Honorable Fred Hill, Chair, House Committee on Local Government Ways and Means

**FROM:** John Keel, Director, Legislative Budget Board

**IN RE: HB701** by Gutierrez (Relating to a prohibition on increasing the total amount of ad valorem taxes imposed by a taxing unit other than a hospital district on the residence homestead of a disabled person, an elderly person, or an elderly person's surviving spouse.), **As Introduced**

**No fiscal implication to the State is anticipated.**

The bill would extend the school district property tax limitation on homesteads of the elderly to the disabled and to all taxing units except hospital districts. Once a person received a 65-or-over or disabled homestead exemption, the property taxes for each taxing unit could not increase as long as the person owned and lived in that home. Taxes could go below the ceiling, but they could not rise above the ceiling.

The corresponding constitutional amendment for this bill, HJR 38, is self-enabling. Therefore, this bill would have no fiscal impact. Estimated revenue losses for the proposed tax ceiling are reflected on the fiscal note for the constitutional amendment.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts, 701 Central Education Agency

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