

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 10, 2003

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

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB837 by Hilderbran (Relating to the ad valorem taxes imposed on the residence homestead of an elderly person.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend Tax Code Sections 11.13 and 26.112 to disallow a person 65 years of age or older who subsequently establishes a different residence homestead during the same tax year to qualify for a 65-or-older homestead exemption on the subsequent residence homestead before January 1 of the following tax year.

The bill would also repeal Section 2610(b) to eliminate the proration section and require a person 65 or over who owns more than one residence homestead during a tax year to designate only one residence for the 65-or-over homestead exemption.

Passage of this bill could result in some revenue loss to units of local government and the state attributable to 65-or-over homestead exemptions in Texas. However, it is not anticipated that the amounts would represent a significant fiscal impact on the state or local taxing units.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: JK, SD, DLBe