

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

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

**March 11, 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 ad valorem taxes imposed on a residence homestead in a year in which a residence homestead exemption for an elderly person terminates.), **As Introduced**

<b>No significant fiscal implication to the State is anticipated.</b>
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The bill would amend Tax Code Sections 11.13 and 26.112 and repeal Section 26.10(b) to allow a person 65 years of age or older to receive a 65-or-over homestead exemption on more than one residence homestead in the same year, but to claim an exemption on only one of the residences at any one time.

The bill would 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. The amount of change would depend on the number of persons exercising a choice of homesteads in a given tax year and the market value of real property and improvements subject to tax, however, it is not anticipated that the amounts would represent a significant fiscal impact on taxing units.

**Local Government Impact**

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

**Source Agencies:** 304 Comptroller Of Public Accounts

**LBB Staff:** JK, SD, WP, BR, DLBe