

## **BILL ANALYSIS**

H.J.R. 25  
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Ways & Means  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

The Texas Constitution allows for a homestead exemption amounting to \$15,000 for all persons who own a homestead residence. HJR 25 proposes a constitutional amendment to increase the homestead exemption to \$22,500, and provides for an adjustment of the limitation on the amount of ad valorem taxes that may be imposed for those purposes on the homestead of a disabled person, an elderly person, or an elderly person's surviving spouse to reflect the increased exemption amount.

### **RULEMAKING AUTHORITY**

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

### **ANALYSIS**

HJR 25 proposes a constitutional amendment increasing the amount of the residence homestead exemption from ad valorem taxation for public school purposes from \$15,000 to \$22,500 and providing for an adjustment of the limitation on the amount of ad valorem taxes that may be imposed for those purposes on the homestead of a disabled person, an elderly person, or an elderly person's surviving spouse to reflect the increased exemption amount.

The resolution states that the amendment to Section 1-b(c), Article VIII, of the constitution takes effect January 1, 2007, and applies only to a tax year beginning on or after that date. This is a temporary provision, and applies to the constitutional amendment proposed by the 79th Legislature, 1st Called Session, 2005, to reduce the amount of the limitation on the ad valorem taxes imposed by a school district on the residence homestead of an elderly or disabled person in proportion to any reduction in the tax rate of the school district and expires January 1, 2007.

### **EFFECTIVE DATE**

The proposed constitutional amendment shall be submitted to the voters at an election to be held November 8, 2005. The amendment to Section 1-b(c), Article VIII, of the constitution takes effect January 1, 2007, and applies only to a tax year beginning on or after that date.