

By: Berman, Chisum, McReynolds, Flynn,
Uresti, et al.

H.J.R. No. 26

A JOINT RESOLUTION

1 proposing a constitutional amendment providing for an adjustment of
2 the limitation on the total amount of ad valorem taxes that may be
3 imposed for public school purposes on the residence homesteads of
4 the elderly or disabled to reflect any change in the rate of those
5 taxes.

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

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

9 (d) Except as otherwise provided by this subsection, if a
10 person receives a residence homestead exemption prescribed by
11 Subsection (c) of this section for homesteads of persons who are
12 sixty-five (65) years of age or older or who are disabled, the total
13 amount of ad valorem taxes imposed on that homestead for general
14 elementary and secondary public school purposes may not be
15 increased while it remains the residence homestead of that person
16 or that person's spouse who receives the exemption. If a person
17 sixty-five (65) years of age or older dies in a year in which the
18 person received the exemption, the total amount of ad valorem taxes
19 imposed on the homestead for general elementary and secondary
20 public school purposes may not be increased while it remains the
21 residence homestead of that person's surviving spouse if the spouse
22 is fifty-five (55) years of age or older at the time of the person's
23 death, subject to any exceptions provided by general law. The
24 legislature by general law may provide for the reduction of the

1 amount of a limitation provided by this subsection to reflect any
2 reduction from the preceding year in the tax rate for general
3 elementary and secondary public school purposes applicable to a
4 residence homestead. A general law providing for the reduction of
5 the amount of a limitation provided by this subsection to reflect
6 any reduction from the preceding year in the tax rate for general
7 elementary and secondary public school purposes applicable to a
8 residence homestead may, for purposes of computing the amount of
9 the limitation for the 2007 tax year and subsequent tax years, also
10 take into account any reduction in the tax rate for those purposes
11 from the 2005 tax year to the 2006 tax year if the homestead was
12 subject to the limitation in the 2006 tax year. The legislature, by
13 general law, may provide for the transfer of all or a proportionate
14 amount of a limitation provided by this subsection for a person who
15 qualifies for the limitation and establishes a different residence
16 homestead. However, taxes otherwise limited by this subsection may
17 be increased to the extent the value of the homestead is increased
18 by improvements other than repairs or improvements made to comply
19 with governmental requirements and except as may be consistent with
20 the transfer of a limitation under this subsection. For a residence
21 homestead subject to the limitation provided by this subsection in
22 the 1996 tax year or an earlier tax year, the legislature shall
23 provide for a reduction in the amount of the limitation for the 1997
24 tax year and subsequent tax years in an amount equal to \$10,000
25 multiplied by the 1997 tax rate for general elementary and
26 secondary public school purposes applicable to the residence
27 homestead.

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

3 TEMPORARY PROVISION. (a) This temporary provision applies to
4 the constitutional amendment proposed by the 79th Legislature, 3rd
5 Called Session, 2006, authorizing the legislature to provide for a
6 reduction of the limitation on the total amount of ad valorem taxes
7 that may be imposed for public school purposes on the residence
8 homesteads of the elderly or disabled to reflect any reduction in
9 the rate of those taxes and expires January 1, 2008.

10 (b) The amendment to Section 1-b(d), Article VIII, of this
11 constitution takes effect January 1, 2007, and applies only to a tax
12 year that begins on or after that date.

13 SECTION 3. This proposed constitutional amendment shall be
14 submitted to the voters at an election to be held November 7, 2006,
15 but only if H.B. No. 1, Acts of the 79th Legislature, 3rd Called
16 Session, 2006, is enacted and becomes law. If H.B. No. 1, Acts of
17 the 79th Legislature, 3rd Called Session, 2006, does not become
18 law, this proposed constitutional amendment may not be submitted to
19 the voters. If H.B. No. 1, Acts of the 79th Legislature, 3rd Called
20 Session, 2006, becomes law, the ballot shall be printed to permit
21 voting for or against the proposition: "The constitutional
22 amendment authorizing the legislature to provide for a reduction of
23 the limitation on the total amount of ad valorem taxes that may be
24 imposed for public school purposes on the residence homesteads of
25 the elderly or disabled to reflect any reduction in the rate of
26 those taxes."