

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

H.J.R. No. 26

Substitute the following for H.J.R. No. 26:

By: Edwards

C.S.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. If a  
24 person qualifies for the limitation provided by this subsection on

1 the person's residence homestead, the person or the person's spouse  
2 qualified for the exemption for the same homestead for the  
3 preceding tax year, and the tax rate for general elementary and  
4 secondary public school purposes applicable to the homestead for  
5 the current tax year is higher or lower than the tax rate for those  
6 purposes applicable to that homestead for the preceding tax year,  
7 the limitation provided by this subsection on the total amount of ad  
8 valorem taxes that may be imposed for those purposes on the  
9 homestead is increased or reduced, as applicable, for the current  
10 and subsequent tax years in proportion to the increase or reduction  
11 in the tax rate, except that the total amount of ad valorem taxes  
12 that may be imposed for those purposes on the homestead may not  
13 exceed the amount of taxes imposed for those purposes for the later  
14 of the 2006 tax year or the tax year in which the person first  
15 qualified for the limitation, as that limitation may have been  
16 increased in subsequent tax years or may be increased for the  
17 current tax year because of improvements as authorized by this  
18 subsection. The legislature by general law may provide that, for  
19 purposes of computing the amount of a limitation provided by this  
20 subsection on a person's residence homestead for the 2007 tax year  
21 and subsequent tax years, any reduction in the tax rate for general  
22 elementary and secondary public school purposes from the 2005 tax  
23 year to the 2006 tax year applicable to the homestead shall also be  
24 taken into account if the first tax year the person or the person's  
25 spouse qualified for the exemption for the homestead was a tax year  
26 before the 2006 tax year. The legislature, by general law, may  
27 provide for the transfer of all or a proportionate amount of a

1 limitation provided by this subsection for a person who qualifies  
2 for the limitation and establishes a different residence homestead.  
3 However, taxes otherwise limited by this subsection may be  
4 increased to the extent the value of the homestead is increased by  
5 improvements other than repairs or improvements made to comply with  
6 governmental requirements and except as may be consistent with the  
7 transfer of a limitation under this subsection. For a residence  
8 homestead subject to the limitation provided by this subsection in  
9 the 1996 tax year or an earlier tax year, the legislature shall  
10 provide for a reduction in the amount of the limitation for the 1997  
11 tax year and subsequent tax years in an amount equal to \$10,000  
12 multiplied by the 1997 tax rate for general elementary and  
13 secondary public school purposes applicable to the residence  
14 homestead.

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

17 TEMPORARY PROVISION. (a) This temporary provision applies to  
18 the constitutional amendment proposed by the 79th Legislature, 3rd  
19 Called Session, 2006, providing for an adjustment of the limitation  
20 on the total amount of ad valorem taxes that may be imposed for  
21 public school purposes on the residence homesteads of the elderly  
22 or disabled to reflect any change in the rate of those taxes and  
23 expires January 1, 2008.

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

27 SECTION 3. This proposed constitutional amendment shall be

1 submitted to the voters at an election to be held November 7, 2006.  
2 The ballot shall be printed to permit voting for or against the  
3 proposition: "The constitutional amendment providing for an  
4 adjustment of the limitation on the total amount of ad valorem taxes  
5 that may be imposed for public school purposes on the residence  
6 homesteads of the elderly or disabled to reflect any change in the  
7 rate of those taxes."