

By: Edwards

H.J.R. No. 32

A JOINT RESOLUTION

1 proposing a constitutional amendment to authorize an increase in
2 the minimum amount of the local option residence homestead
3 exemption from ad valorem taxation for the elderly and disabled and
4 an increase in the maximum amount of the residence homestead
5 exemption from school district taxation for the elderly and
6 disabled.

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

8 SECTION 1. Sections 1-b(b) and (c), Article VIII, Texas
9 Constitution, are amended to read as follows:

10 (b) The governing body of any county, city, town, school
11 district, or other political subdivision of the State may exempt by
12 its own action not less than \$6,000 [~~Three Thousand Dollars~~
13 ~~(\$3,000)~~] of the market value of residence homesteads of persons,
14 married or unmarried, including those living alone, who are under a
15 disability for purposes of payment of disability insurance benefits
16 under Federal Old-Age, Survivors, and Disability Insurance or its
17 successor or of married or unmarried persons sixty-five (65) years
18 of age or older, including those living alone, from all ad valorem
19 taxes thereafter levied by the political subdivision. As an
20 alternative, upon receipt of a petition signed by twenty percent
21 (20%) of the voters who voted in the last preceding election held by
22 the political subdivision, the governing body of the subdivision
23 shall call an election to determine by majority vote whether an
24 amount not less than \$6,000 [~~Three Thousand Dollars~~ ~~(\$3,000)~~] as

1 provided in the petition, of the market value of residence
2 homesteads of disabled persons or of persons sixty-five (65) years
3 of age or over shall be exempt from ad valorem taxes thereafter
4 levied by the political subdivision. An eligible disabled person
5 who is sixty-five (65) years of age or older may not receive both
6 exemptions from the same political subdivision in the same year but
7 may choose either if the subdivision has adopted both. An exemption
8 under this subsection that was in effect for the 2006 ad valorem tax
9 year in an amount of less than \$6,000 continues to apply to eligible
10 residence homesteads taxed by the political subdivision until, in
11 accordance with general law, the exemption is repealed or the
12 amount of the exemption is changed, in which event the amount of the
13 exemption after the change may not be less than \$6,000. Where any
14 ad valorem tax has theretofore been pledged for the payment of any
15 debt, the taxing officers of the political subdivision shall have
16 authority to continue to levy and collect the tax against the
17 homestead property at the same rate as the tax so pledged until the
18 debt is discharged, if the cessation of the levy would impair the
19 obligation of the contract by which the debt was created.

20 (c) The amount of [~~Fifteen Thousand Dollars (-)~~ \$15,000(+)] of
21 the market value of the residence homestead of a married or
22 unmarried adult, including one living alone, is exempt from ad
23 valorem taxation for general elementary and secondary public school
24 purposes. The legislature by general law may provide that all or
25 part of the exemption does not apply to a district or political
26 subdivision that imposes ad valorem taxes for public education
27 purposes but is not the principal school district providing general

1 elementary and secondary public education throughout its
2 territory. In addition to this exemption, the legislature by
3 general law may exempt an amount not to exceed \$15,000 [~~Ten Thousand~~
4 ~~Dollars (\$10,000)~~] of the market value of the residence homestead
5 of a person who is disabled as defined in Subsection (b) of this
6 section and of a person sixty-five (65) years of age or older from
7 ad valorem taxation for general elementary and secondary public
8 school purposes. The legislature by general law may base the amount
9 of and condition eligibility for the additional exemption
10 authorized by this subsection for disabled persons and for persons
11 sixty-five (65) years of age or older on economic need. An eligible
12 disabled person who is sixty-five (65) years of age or older may not
13 receive both exemptions from a school district but may choose
14 either. An eligible person is entitled to receive both the
15 exemption required by this subsection for all residence homesteads
16 and any exemption adopted pursuant to Subsection (b) of this
17 section, but the legislature shall provide by general law whether
18 an eligible disabled or elderly person may receive both the
19 additional exemption for the elderly and disabled authorized by
20 this subsection and any exemption for the elderly or disabled
21 adopted pursuant to Subsection (b) of this section. Where ad
22 valorem tax has previously been pledged for the payment of debt, the
23 taxing officers of a school district may continue to levy and
24 collect the tax against the value of homesteads exempted under this
25 subsection until the debt is discharged if the cessation of the levy
26 would impair the obligation of the contract by which the debt was
27 created. The legislature shall provide for formulas to protect

1 school districts against all or part of the revenue loss incurred by
2 the implementation of Article VIII, Sections 1-b(c), 1-b(d), and
3 1-d-1, of this constitution. The legislature by general law may
4 define residence homestead for purposes of this section.

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

7 TEMPORARY PROVISION. (a) This temporary provision applies
8 to the constitutional amendment proposed by the 79th Legislature,
9 3rd Called Session, 2006, to authorize an increase in the minimum
10 amount of the local option residence homestead exemption from ad
11 valorem taxation for the elderly and disabled and an increase in the
12 maximum amount of the residence homestead exemption from school
13 district taxation for the elderly and disabled.

14 (b) The amendments to Sections 1-b(b) and (c), Article VIII,
15 of this constitution take effect beginning with the tax year that
16 begins January 1, 2007.

17 (c) This temporary provision expires January 1, 2008.

18 SECTION 3. This proposed constitutional amendment shall be
19 submitted to the voters at an election to be held November 7, 2006.
20 The ballot shall be printed to permit voting for or against the
21 proposition: "The constitutional amendment to authorize an
22 increase in the minimum amount of the local option residence
23 homestead exemption from ad valorem taxation for the elderly and
24 disabled and an increase in the maximum amount of the residence
25 homestead exemption from school district taxation for the elderly
26 and disabled."