

BILL ANALYSIS

C.S.H.B. 213
By: Guillen
Local Government Ways & Means
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The purpose of this legislation is to limit the amount of ad valorem taxes that can be imposed on residence homesteads of persons serving active duty in the US armed forces. Current law does not provide for limitations on ad valorem taxes for active duty. HB 213 would provide limitations that may be imposed on the taxing unit of a residence homestead of a person serving active duty under Section 1-b(i), Article VIII of the Texas Constitution.

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

Changes Chapter 11 Subchapter B of the Tax Code to read active-duty means full-time in active military service, full-time training duty, annual training duty, and attendance, while in active military service at a school designated as a service school by law or by the secretary of the military department concerned. However this does not include full-time national guard.

This section applies only to property that receives exemption under Section 11.13 and is a residence homestead of a person serving active duty whose monthly salary is for any month is less than two times the minimum monthly salary of the highest ranking noncommissioned officer serving on active duty in their respective branch of the armed services for August of the preceding year. It is the responsibility of the comptroller to publish this information in the Texas Register and notify each appraisal office of that determination.

Tax officials shall appraise the property and calculate taxes as on other property, but if the tax so calculated exceeds the limitation provided by this section, the tax imposed is the amount of the tax as limited by this section, except as otherwise provided by this section.

EFFECTIVE DATE

The first tax year after the year in which the limitation was established.

COMPARISON OF ORIGINAL TO SUBSTITUTE

CSHB 213 includes the National Guard under the definition of active-duty military and requires deployment more than 60 miles from the homestead of the military member for at least six months for the benefit to apply.