

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

March 30, 2005

TO: Honorable Jim Keffer, Chair, House Committee on Ways & Means

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: HB2784 by Wong (Relating to the authority of a taxing unit to provide an additional exemption from ad valorem taxation for property owned by certain disabled veterans who have been awarded the Purple Heart or their surviving spouses.), **As Introduced**

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would provide for a local option property tax exemption for all taxing units, not to exceed \$50,000, for a disabled veteran who had received the Purple Heart and had a disability rating of more than 70 percent. The exemption would apply to any taxable property owned by a qualifying disabled veteran. A taxing unit adopting the exemption could extend the exemption to the surviving spouse of a disabled veteran who qualified for the exemption for the same property.

Local Government Impact

Since the bill would provide an optional property tax exemption, property taxable values and the related ad valorem taxes could be reduced. Information received from the Veterans Administration Office in Waco indicates that there are currently 16,172 totally disabled veterans as a result of service-related disabilities. Information received from the Texas Department of Transportation indicates 19,000 current Purple Heart license plate recipients.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, SD, WP, DLBe