

BILL ANALYSIS

C.S.H.B. 457
By: Rodriguez
Local Government Ways & Means
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Homestead exemptions are the single most important tax reduction mechanism available to homeowners. There are many Texas homeowners who are eligible for residence homestead exemptions from ad valorem taxation but are not currently receiving the exemptions because they have not applied.

The purpose of C.S.H.B 457 is to notify homeowners who are not receiving homestead exemptions that they may be eligible and requires appraisal districts to provide a homeowner an application for a residence homestead exemption.

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

Section 1. Amends Section 25.19, Tax Code by adding Subsection (b-2) to provide changes to appraisal notices sent out by the chief appraiser and amending Subsection (d) relating to the failure to receive a notice of appraisal.

This section applies only to a notice of appraised value for residential real property that has not qualified for residence homestead exemption in the current tax year. Section 1 adds information the notice must contain, and requires a certain statement in boldfaced 12-point type.

This section also requires the notice to be accompanied by an application form for a residence homestead exemption. Subsection (d) of this section is amended by adding that the deadline for filing an application for a residence homestead exemption is not affected by the failure to receive a notice of appraisal.

Section 2. This Act takes effect January 1, 2008.

EFFECTIVE DATE

January 1, 2008

COMPARISON OF ORIGINAL TO SUBSTITUTE

The original version of HB 457 would add a new Section in Subchapter C, Section 11, Tax Code, regarding notice of availability of residence homestead exemptions and establishing January 15 as the approximate date by which the chief appraiser shall deliver the notice and an application for exemption.

C.S.H.B 457, instead amends Section 25.19, Tax Code, regarding notice of appraised value. The substitute does not move the deadline for the chief appraiser to send notice to January 15, which the original bill did. Also, the substitute ensures that failure to receive a notice does not affect the deadline for filing an application for residence homestead exemption.