

BILL ANALYSIS

C.S.H.J.R. 5
By: Delisi
Ways & Means
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Under current law, a person who constructs a home on their existing property, under the housing rehabilitation program of the Texas Department of Housing and Community Affairs, will lose their current homestead tax limitation.

If approved by the necessary vote of the legislature and the voters, C.S.H.J.R 5 will authorize the enactment of C.S.H.B. 3667, relating to the establishment of a limit on the amount of ad valorem taxes that may be imposed on the residence homestead of a disabled or elderly person that is constructed under the federal community development block grant program using nonentitlement grants or under a housing rehabilitation program of the Texas Department of Housing and Community Affairs and that replaces the person's former residence homestead.

RULEMAKING AUTHORITY

It is the committee's opinion that this resolution does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.J.R. 5 amends the Article VIII of the Texas Constitution to authorize the legislature to establish a limit on the amount of ad valorem taxes imposed by a political subdivision (subdivision) on the residence homestead of a disabled or elderly person that is constructed under the federal community development block grant program using nonentitlement grants or under a housing rehabilitation program of the Texas Department of Housing and Community Affairs and that replaces the person's former residence homestead. The legislature is required to provide for formulas to protect school districts against all or part of the revenue loss incurred by the implementation of this joint resolution. Except as otherwise provided by C.S.H.J.R. 5, the provisions relating to the limitation on school taxes in Article VIII, Texas Constitution, Section 1-b(d), Assessment of Lands Designated for Agricultural Use, apply to the limitation provided by C.S.H.J.R. 5.

The proposed constitutional amendment shall be submitted to the voters at an election to be held November 6, 2007.

C.S.H.J.R. 5 applies a temporary provision to the Texas Constitution regarding the limit to the ad valorem tax and expires January 1, 2009.

EFFECTIVE DATE

This amendment will take effect immediately upon the approval by the necessary vote of the legislature, and an affirmative decision of the voters at an election to be held on November 6, 2007.

COMPARISON OF ORIGINAL TO SUBSTITUTE

C.S.H.J.R. 5 adds certain projects under a specified federal program as meeting the criteria of eligibility under a general law that may be approved pursuant to Sec. 1-o, Article VIII, Texas Constitution.

C.S.H.J.R. 5 80(R)

