

BILL ANALYSIS

Senate Research Center

S.J.R. 13
By: Averitt et al.
Finance
8/15/2007
Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Elderly and disabled Texans whose property taxes were already frozen when the Texas Legislature passed property tax cuts during the 79th Legislature, 3rd Called Session, 2006, did not receive a corresponding reduction in their property taxes.

S.J.R. 13 proposes a constitutional amendment to provide such a reduction and redefines the state spending cap so that appropriations made towards the tax reduction do not count as state appropriations subject to restrictions based on the estimated rate of growth of Texas' economy during a biennium.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to any state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 1-b(d), Article VIII, Texas Constitution, as follows:

(d-1) Authorizes the legislature, notwithstanding Subsection (d) of this section, to provide for the reduction of the amount of a limitation provided by that subsection and applicable to a residence homestead for the 2007 tax year to reflect any reduction from the 2006 tax year in the tax rate for general elementary and secondary public school purposes applicable to the homestead. Authorizes a general law enacted under this subsection to also take into account any reduction in the tax rate for those purposes from the 2005 tax year to the 2006 tax year if the homestead was subject to the limitation in the 2006 tax year. Authorizes a general law enacted under this subsection to provide that, except as otherwise provided by Subsection (d) of this section, a limitation provided by that subsection that is reduced under the general law continues to apply to the residence homestead in subsequent tax years until the limitation expires.

SECTION 2. Amends the Texas Constitution to add a temporary provision, as follows:

TEMPORARY PROVISION. (a) Provides that this temporary provision applies to the constitutional amendment proposed by the 80th Legislature, Regular Session, 2007, authorizing the legislature to provide for a reduction of the limitation on the total amount of ad valorem taxes that may be imposed for public school purposes on the residence homesteads of the elderly or disabled to reflect any reduction in the rate of those taxes for the 2006 and 2007 tax years. Provides that this temporary provision expires January 1, 2008.

(b) Provides that the amendment to Section 1-b(d), Article VIII, of this constitution takes effect on the date of the official canvass of returns showing adoption of the amendment and applies beginning with the tax year that begins January 1, 2007. Authorizes the legislature to enact a general law authorized by the constitutional amendment that applies to the entire 2007 tax year, notwithstanding that the constitutional amendment was adopted after the beginning of that tax year. Provides that a general law applicable to the entire 2007 tax year is not considered to be a retroactive law.

SECTION 3. Requires this proposed constitutional amendment to be submitted to the voters at an election to be held May 12, 2007. Sets forth the required language for the ballot.