

BILL ANALYSIS

Senate Research Center
80R3289 JD-D

S.J.R. 14
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Finance
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Under current law, the Tax Code limits the average annual percentage increase in appraisal of residential homestead property to the sum of 10 percent of the appraised value of the property times the number of years since the property was last appraised. As a result of these increases, a Texan homeowner may face an unforeseen annual property tax increase that has a questionable connection with the actual market value of the property.

S.J.R. 14 proposes a constitutional amendment to lower the current 10 percent appraisal cap to three percent.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 1(i), Article VIII, Texas Constitution, as follows:

(1) Authorizes the legislature, by general law, to limit the maximum average annual percentage increase in the appraised value of residence homesteads for ad valorem tax purposes (limitation) to three percent, rather than 10 percent, or a greater percentage, for each year since the most recent tax appraisal (limitation), notwithstanding the requirement of equal, uniform, and value-proportional taxation of real and tangible personal property as provided by Subsections (a) and (b), Section 1 (Equality and Uniformity; Tax in Proportion to Value; Income Tax; Exemption of Certain Tangible Personal Property from Ad Valorem Taxation), Article VIII, Texas Constitution.

SECTION 2. Requires this proposed constitutional amendment to be submitted to the voters at an election to be held November 6, 2007. Sets forth the required language for the ballot.