

By: Leibowitz

H.B. No. 61

A BILL TO BE ENTITLED

AN ACT

relating to the limitation on increases in the appraised value of a residence homestead for ad valorem taxation.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 23.23(a), Tax Code, is amended to read as follows:

(a) The appraised value of a residence homestead for a tax year may not exceed the lesser of:

(1) the market value of the property; or

(2) the sum of:

(A) five [~~10~~] percent of the appraised value of the property for the last year in which the property was appraised for taxation times the number of years since the property was last appraised;

(B) the appraised value of the property for the last year in which the property was appraised; and

(C) the market value of all new improvements to the property.

SECTION 2. This Act applies only to the appraisal for ad valorem tax purposes of residence homesteads for a tax year that begins on or after the effective date of this Act.

SECTION 3. This Act takes effect January 1, 2008, but only if the constitutional amendment proposed by the 80th Legislature, Regular Session, 2007, to authorize the legislature to limit the

1 maximum average annual increase in the appraised value of a
2 residence homestead for ad valorem tax purposes to five percent or
3 more is approved by the voters. If that amendment is not approved
4 by the voters, this Act has no effect.