

By: Hopson

H.J.R. No. 66

A JOINT RESOLUTION

1 proposing a constitutional amendment increasing the amount of the  
2 residence homestead exemption from ad valorem taxation for public  
3 school purposes to \$22,500 and providing for an adjustment of the  
4 limitation on the total amount of taxes that may be imposed for  
5 those purposes on the homesteads of the elderly or disabled to  
6 reflect the increased exemption amount and changes in the rate of  
7 the tax imposed for those purposes.

8 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

9 SECTION 1. Sections 1-b(c) and (d), Article VIII, Texas  
10 Constitution, are amended to read as follows:

11 (c) The amount of \$22,500 [~~Fifteen Thousand Dollars~~  
12 ~~(\$15,000)~~] of the market value of the residence homestead of a  
13 married or unmarried adult, including one living alone, is exempt  
14 from ad valorem taxation for general elementary and secondary  
15 public school purposes. The legislature by general law may provide  
16 that all or part of the exemption does not apply to a district or  
17 political subdivision that imposes ad valorem taxes for public  
18 education purposes but is not the principal school district  
19 providing general elementary and secondary public education  
20 throughout its territory. In addition to this exemption, the  
21 legislature by general law may exempt an amount not to exceed [~~Ten~~  
22 ~~Thousand Dollars~~ (-) \$10,000(+)] of the market value of the residence  
23 homestead of a person who is disabled as defined in Subsection (b)  
24 of this section and of a person sixty-five (65) years of age or

1 older from ad valorem taxation for general elementary and secondary  
2 public school purposes. The legislature by general law may base the  
3 amount of and condition eligibility for the additional exemption  
4 authorized by this subsection for disabled persons and for persons  
5 sixty-five (65) years of age or older on economic need. An eligible  
6 disabled person who is sixty-five (65) years of age or older may not  
7 receive both exemptions from a school district but may choose  
8 either. An eligible person is entitled to receive both the  
9 exemption required by this subsection for all residence homesteads  
10 and any exemption adopted pursuant to Subsection (b) of this  
11 section, but the legislature shall provide by general law whether  
12 an eligible disabled or elderly person may receive both the  
13 additional exemption for the elderly and disabled authorized by  
14 this subsection and any exemption for the elderly or disabled  
15 adopted pursuant to Subsection (b) of this section. Where ad  
16 valorem tax has previously been pledged for the payment of debt, the  
17 taxing officers of a school district may continue to levy and  
18 collect the tax against the value of homesteads exempted under this  
19 subsection until the debt is discharged if the cessation of the levy  
20 would impair the obligation of the contract by which the debt was  
21 created. The legislature shall provide for formulas to protect  
22 school districts against all or part of the revenue loss incurred by  
23 the implementation of Article VIII, Sections 1-b(c), 1-b(d), and  
24 1-d-1, of this constitution. The legislature by general law may  
25 define residence homestead for purposes of this section.

26 (d) Except as otherwise provided by this subsection, if a  
27 person receives a residence homestead exemption prescribed by

1 Subsection (c) of this section for homesteads of persons who are  
2 sixty-five (65) years of age or older or who are disabled, the total  
3 amount of ad valorem taxes imposed on that homestead for general  
4 elementary and secondary public school purposes may not be  
5 increased while it remains the residence homestead of that person  
6 or that person's spouse who receives the exemption. If a person  
7 sixty-five (65) years of age or older dies in a year in which the  
8 person received the exemption, the total amount of ad valorem taxes  
9 imposed on the homestead for general elementary and secondary  
10 public school purposes may not be increased while it remains the  
11 residence homestead of that person's surviving spouse if the spouse  
12 is fifty-five (55) years of age or older at the time of the person's  
13 death, subject to any exceptions provided by general law. If a  
14 person receives the limitation provided by this subsection for the  
15 person's residence homestead and the person or the person's spouse  
16 received the limitation in the preceding tax year for that  
17 homestead and the tax rate for general elementary and secondary  
18 public school purposes applicable to the homestead for the current  
19 tax year is higher or lower than the tax rate for those purposes  
20 applicable to that homestead for the preceding tax year, the  
21 limitation provided by this subsection on the total amount of ad  
22 valorem taxes that may be imposed for those purposes on the  
23 homestead is increased or reduced, as applicable, in proportion to  
24 the increase or reduction in the tax rate, except that the total  
25 amount of ad valorem taxes that may be imposed for those purposes on  
26 the homestead may not exceed the amount of taxes imposed for those  
27 purposes for the later of the 2007 tax year or the tax year in which

1 the limitation took effect, as that limitation may have been  
2 increased in subsequent tax years or may be increased for the  
3 current tax year because of improvements as authorized by this  
4 subsection. The legislature, by general law, may provide for the  
5 transfer of all or a proportionate amount of a limitation provided  
6 by this subsection for a person who qualifies for the limitation and  
7 establishes a different residence homestead. However, taxes  
8 otherwise limited by this subsection may be increased to the extent  
9 the value of the homestead is increased by improvements other than  
10 repairs or improvements made to comply with governmental  
11 requirements and except as may be consistent with the transfer of a  
12 limitation under this subsection. For a residence homestead  
13 subject to the limitation provided by this subsection in the 1996  
14 tax year or an earlier tax year, the legislature shall provide for a  
15 reduction in the amount of the limitation for the 1997 tax year and  
16 subsequent tax years in an amount equal to \$10,000 multiplied by the  
17 1997 tax rate for general elementary and secondary public school  
18 purposes applicable to the residence homestead. For a residence  
19 homestead subject to the limitation provided by this subsection in  
20 the 2007 tax year or an earlier tax year, the legislature shall  
21 provide for a reduction in the amount of the limitation for the 2008  
22 tax year and subsequent tax years in an amount equal to \$7,500  
23 multiplied by the 2008 tax rate for general elementary and  
24 secondary public school purposes applicable to the residence  
25 homestead.

26 SECTION 2. The following temporary provision is added to  
27 the Texas Constitution:

1       TEMPORARY PROVISION. (a) This temporary provision applies  
2 to the constitutional amendment proposed by the 80th Legislature,  
3 Regular Session, 2007, increasing the amount of the residence  
4 homestead exemption from ad valorem taxation for public school  
5 purposes and providing for an adjustment of the limitation on the  
6 total amount of ad valorem taxes that may be imposed for those  
7 purposes on the homesteads of the elderly or disabled to reflect the  
8 increased exemption amount and changes in the rate of the tax  
9 imposed for those purposes and expires January 1, 2009.

10       (b) The amendment to Sections 1-b(c) and (d), Article VIII,  
11 of this constitution takes effect January 1, 2008, and applies only  
12 to a tax year beginning on or after that date.

13       SECTION 3. This proposed constitutional amendment shall be  
14 submitted to the voters at an election to be held November 6, 2007.  
15 The ballot shall be printed to permit voting for or against the  
16 proposition: "The constitutional amendment increasing the amount  
17 of the residence homestead exemption from ad valorem taxation for  
18 public school purposes from \$15,000 to \$22,500, providing for an  
19 adjustment of the limitation on the total amount of ad valorem taxes  
20 that may be imposed for those purposes on the homestead of an  
21 elderly or disabled person to reflect the increased exemption  
22 amount, and increasing or reducing, as applicable, the amount of  
23 the limitation on the total amount of ad valorem taxes that may be  
24 imposed for those purposes on the homestead of an elderly or  
25 disabled person in proportion to any increase or reduction in the  
26 rate of the tax imposed for those purposes but not to exceed the  
27 amount of the limitation for the later of the 2007 tax year or the

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1 tax year in which the limitation took effect, subject to increases  
2 for improvements."