

By: Averitt

S.J.R. No. 13

A JOINT RESOLUTION

1 proposing a constitutional amendment authorizing the legislature
2 to provide for a reduction of the limitation on the total amount of
3 ad valorem taxes that may be imposed for public school purposes on
4 the residence homesteads of the elderly or disabled to reflect any
5 reduction in the rate of those taxes and providing that state
6 appropriations made for the purpose of directly reducing local
7 government taxes do not count against the constitutional state
8 spending limit.

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

10 SECTION 1. Section 1-b(d), Article VIII, Texas
11 Constitution, is amended to read as follows:

12 (d) Except as otherwise provided by this subsection, if a
13 person receives a residence homestead exemption prescribed by
14 Subsection (c) of this section for homesteads of persons who are
15 sixty-five (65) years of age or older or who are disabled, the total
16 amount of ad valorem taxes imposed on that homestead for general
17 elementary and secondary public school purposes may not be
18 increased while it remains the residence homestead of that person
19 or that person's spouse who receives the exemption. If a person
20 sixty-five (65) years of age or older dies in a year in which the
21 person received the exemption, the total amount of ad valorem taxes
22 imposed on the homestead for general elementary and secondary
23 public school purposes may not be increased while it remains the
24 residence homestead of that person's surviving spouse if the spouse

1 is fifty-five (55) years of age or older at the time of the person's
2 death, subject to any exceptions provided by general law. The
3 legislature by general law may provide for the reduction of the
4 amount of a limitation provided by this subsection to reflect any
5 reduction from the preceding year in the tax rate for general
6 elementary and secondary public school purposes applicable to a
7 residence homestead. A general law providing for the reduction of
8 the amount of a limitation provided by this subsection may, for
9 purposes of computing the amount of the limitation for the 2007 tax
10 year, also take into account any reduction in the tax rate for those
11 purposes from the 2005 tax year to the 2006 tax year if the
12 homestead was subject to the limitation in the 2006 tax year. Except
13 as otherwise provided by this subsection, if a limitation provided
14 by this subsection is reduced under a general law providing for the
15 reduction of the amount of the limitation, the limitation as
16 reduced continues to apply to the residence homestead in subsequent
17 tax years until the limitation expires. The legislature, by
18 general law, may provide for the transfer of all or a proportionate
19 amount of a limitation provided by this subsection for a person who
20 qualifies for the limitation and establishes a different residence
21 homestead. However, taxes otherwise limited by this subsection may
22 be increased to the extent the value of the homestead is increased
23 by improvements other than repairs or improvements made to comply
24 with governmental requirements and except as may be consistent with
25 the transfer of a limitation under this subsection. For a residence
26 homestead subject to the limitation provided by this subsection in
27 the 1996 tax year or an earlier tax year, the legislature shall

1 provide for a reduction in the amount of the limitation for the 1997
2 tax year and subsequent tax years in an amount equal to \$10,000
3 multiplied by the 1997 tax rate for general elementary and
4 secondary public school purposes applicable to the residence
5 homestead.

6 SECTION 2. Section 22, Article VIII, Texas Constitution, is
7 amended by adding Subsection (d) to read as follows:

8 (d) An appropriation from state tax revenues not dedicated
9 by this constitution made for the purpose of directly reducing
10 local government taxes, including school district property taxes,
11 is not counted in determining for purposes of this section whether
12 the rate of growth of appropriations from state tax revenues for a
13 biennium exceeds the estimated rate of growth of the state's
14 economy.

15 SECTION 3. The following temporary provision is added to
16 the Texas Constitution:

17 TEMPORARY PROVISION. (a) This temporary provision applies
18 to the constitutional amendment proposed by the 80th Legislature,
19 Regular Session, 2007, authorizing the legislature to provide for a
20 reduction of the limitation on the total amount of ad valorem taxes
21 that may be imposed for public school purposes on the residence
22 homesteads of the elderly or disabled to reflect any reduction in
23 the rate of those taxes and providing that state appropriations
24 made for the purpose of directly reducing local government taxes do
25 not count against the constitutional state spending limit. This
26 temporary provision expires January 1, 2009.

27 (b) The amendment to Section 1-b(d), Article VIII, of this

1 constitution takes effect on the date of the official canvass of
2 returns showing adoption of the amendment and applies beginning
3 with the tax year that begins January 1, 2007. The legislature may
4 enact a general law authorized by the constitutional amendment that
5 applies to the entire 2007 tax year, notwithstanding that the
6 constitutional amendment was adopted after the beginning of that
7 tax year, and a general law applicable to the entire 2007 tax year
8 is not considered to be a retroactive law.

9 (c) The amendment to Section 22, Article VIII, of this
10 constitution takes effect on the date of the official canvass of
11 returns showing adoption of the amendment and applies beginning
12 with appropriations made for all or part of the state fiscal year
13 ending August 31, 2007.

14 SECTION 4. This proposed constitutional amendment shall be
15 submitted to the voters at an election to be held May 12, 2007. The
16 ballot shall be printed to permit voting for or against the
17 proposition: "The constitutional amendment authorizing the
18 legislature to provide for a reduction of the limitation on the
19 total amount of ad valorem taxes that may be imposed for public
20 school purposes on the residence homesteads of the elderly or
21 disabled to reflect any reduction in the rate of those taxes; and
22 providing that state appropriations made for the purpose of
23 directly reducing local government taxes do not count against the
24 constitutional state spending limit."