

BILL ANALYSIS

H.J.R. 17
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Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Activated reservists of the armed forces, and their families, are required to make financial sacrifices in addition to the personal sacrifice brought about by extended and recurrent military activation and deployment.

H.J.R. 17 proposes a state constitutional amendment to authorize a political subdivision to freeze the property tax on the residence homesteads of activated reservists.

RULEMAKING AUTHORITY

It is the committee's opinion that this resolution does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.J.R. 17 proposes an amendment to the Texas constitution to authorize the governing body of a political subdivision by official action to provide that if a person is a member of a reserve component of the armed forces of the United States, including the National Guard, who is ordered to active duty by a proper authority, and the person receives a residence homestead exemption and received a homestead exemption for that homestead in the preceding year, the total amount of property taxes imposed on the homestead by the political subdivision may not exceed the amount of taxes the political subdivision imposed on the property in the preceding year.

H.J.R. 17 provides an alternative to the above, requiring the governing body of a political subdivision, on receipt of a petition signed by five percent of the registered voters of the political subdivision, to call an election to determine by majority vote whether to establish a reserve forces tax limitation.

H.J.R. 17 makes a reserve forces tax limitation established by a political subdivision applicable to the imposition of property taxes by the political subdivision beginning with the first tax year after the year in which the limitation is established. The resolution authorizes the legislature, by general law, to provide for the transfer of all or a proportionate amount of a reserve forces tax limitation for a person who qualifies for the limitation and establishes a different residence homestead. The resolution requires a political subdivision that establishes a reserve forces tax limitation to comply with a law providing for the transfer of the limitation, even if the legislature enacts the law after the political subdivision's establishment of the limitation.

H.J.R. 17 provides that taxes otherwise limited by a political subdivision under the reserve forces tax limitation may be increased to the extent the value of the homestead is increased by improvements, other than repairs and other than improvements made to comply with governmental requirements, and as may be consistent with the transfer of a tax limitation under a law authorized by the reserve forces tax limitation provision. The resolution authorizes the legislature, by general law, to prescribe requirements for eligibility for a reserve forces tax

limitation based on the distance of the location where the person is deployed or stationed on active duty from the person's residence homestead and the period for which the person is stationed or deployed, and authorizes the legislature to define "active duty" for purposes of the reserve forces tax limitation.

H.J.R. 17 sets forth the required language for the ballot.

ELECTION DATE

The constitutional amendment proposed by this joint resolution will be submitted to the voters at an election to be held November 3, 2009.