

By: Herrero

H.B. No. 341

A BILL TO BE ENTITLED

AN ACT

1
2 relating to an exemption from ad valorem taxation of a portion of
3 the appraised value of the residence homesteads of military
4 servicemembers who are serving on active duty.

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

6 SECTION 1. Section 11.13, Tax Code, is amended by adding
7 Subsection (s) to read as follows:

8 (s) In addition to any other exemptions provided by this
9 section, an individual is entitled to an exemption from taxation by
10 a taxing unit of \$3,000 of the appraised value of the individual's
11 residence homestead if the individual is:

12 (1) a member of the armed forces of the United States;

13 (2) a member of the Texas National Guard or the
14 National Guard of another state serving on active duty under an
15 order of the President of the United States; or

16 (3) a member of a reserve component of the armed forces
17 of the United States serving on active duty under an order of the
18 President of the United States.

19 SECTION 2. Section 11.42, Tax Code, is amended by adding
20 Subsection (e) to read as follows:

21 (e) A person who qualifies for an exemption under Section
22 11.13(s) after January 1 of a tax year may receive the exemption for
23 the applicable portion of that tax year immediately on
24 qualification for the exemption.

SECTION 3. Section 11.43, Tax Code, is amended by adding Subsection (c-1) to read as follows:

(c-1) To receive an exemption authorized by Section 11.13(s), a person must submit an application for the exemption even if the person already receives another exemption under Section 11.13. The application required by this subsection must include an affidavit and a copy of official documents evidencing the person's active duty status. The chief appraiser may require a person allowed an exemption authorized under Section 11.13(s) in a prior year to file a new affidavit to confirm the person's current qualification for the exemption by delivering not later than April 1 a written notice that the affidavit is required, accompanied by an affidavit form, to the person. An affidavit required by this subsection must be in substantially the following form:

"I, _____, do hereby solemnly swear or affirm that I am () a member of the armed forces of the United States, () a member of the Texas National Guard or the National Guard of another state serving on active duty under an order of the President of the United States, or () a member of a reserve component of the armed forces of the United States serving on active duty under an order of the President of the United States, with the period of duty to begin on _____.

Subscribed to and sworn before me this _____ day of _____, _____.

SEAL

Notary Public in and for
_____ County, Texas"

1 SECTION 4. Section 26.10, Tax Code, is amended by adding
2 Subsection (c) to read as follows:

3 (c) If the appraisal roll shows that a residence homestead
4 exemption under Section 11.13(s) applicable to a property on
5 January 1 of a year terminated during the year, the tax due against
6 the residence homestead is calculated by:

7 (1) subtracting:

8 (A) the amount of the taxes that otherwise would
9 be imposed on the residence homestead for the entire year had the
10 individual qualified for the exemption under Section 11.13(s) for
11 the entire year; from

12 (B) the amount of the taxes that otherwise would
13 be imposed on the residence homestead for the entire year had the
14 individual not qualified for the exemption under Section 11.13(s)
15 during the year;

16 (2) multiplying the remainder determined under
17 Subdivision (1) by a fraction, the denominator of which is 365 and
18 the numerator of which is the number of days that elapsed after the
19 date the exemption terminated; and

20 (3) adding the product determined under Subdivision
21 (2) and the amount described by Subdivision (1)(A).

22 SECTION 5. Chapter 26, Tax Code, is amended by adding
23 Section 26.1125 to read as follows:

24 Sec. 26.1125. CALCULATION OF TAXES ON RESIDENCE HOMESTEAD
25 OF MILITARY SERVICEMEMBER. (a) If a person qualifies for an
26 exemption under Section 11.13(s) after the beginning of a tax year,
27 the amount of the taxes on the residence homestead of the person for

1 the tax year is calculated by:

2 (1) subtracting:

3 (A) the amount of the taxes that otherwise would
4 be imposed on the residence homestead for the entire year had the
5 person qualified for the exemption under Section 11.13(s) on
6 January 1; from

7 (B) the amount of the taxes that otherwise would
8 be imposed on the residence homestead for the entire year had the
9 person not qualified for the exemption under Section 11.13(s);

10 (2) multiplying the remainder determined under
11 Subdivision (1) by a fraction, the denominator of which is 365 and
12 the numerator of which is the number of days that elapsed prior to
13 the date that the person qualified for the exemption under Section
14 11.13(s); and

15 (3) adding the product determined under Subdivision
16 (2) and the amount described by Subdivision (1)(A).

17 (b) If a person qualifies for an exemption under Section
18 11.13(s) with respect to the property after the amount of the tax
19 due on the property is calculated and the effect of the
20 qualification is to reduce the amount of the tax due on the
21 property, the assessor for each taxing unit shall recalculate the
22 amount of the tax due on the property and correct the tax roll. If
23 the tax bill has been mailed and the tax on the property has not been
24 paid, the assessor shall mail a corrected tax bill to the person in
25 whose name the property is listed on the tax roll or to the person's
26 authorized agent. If the tax on the property has been paid, the tax
27 collector for the taxing unit shall refund to the person who paid

1 the tax the amount by which the payment exceeded the tax due.

2 SECTION 6. Section 403.302(d), Government Code, is amended
3 to read as follows:

4 (d) For the purposes of this section, "taxable value" means
5 the market value of all taxable property less:

6 (1) the total dollar amount of any residence homestead
7 exemptions lawfully granted under Section 11.13(b), ~~or~~ (c), or
8 (s), Tax Code, in the year that is the subject of the study for each
9 school district;

10 (2) one-half of the total dollar amount of any
11 residence homestead exemptions granted under Section 11.13(n), Tax
12 Code, in the year that is the subject of the study for each school
13 district;

14 (3) the total dollar amount of any exemptions granted
15 before May 31, 1993, within a reinvestment zone under agreements
16 authorized by Chapter 312, Tax Code;

17 (4) subject to Subsection (e), the total dollar amount
18 of any captured appraised value of property that:

19 (A) is within a reinvestment zone created on or
20 before May 31, 1999, or is proposed to be included within the
21 boundaries of a reinvestment zone as the boundaries of the zone and
22 the proposed portion of tax increment paid into the tax increment
23 fund by a school district are described in a written notification
24 provided by the municipality or the board of directors of the zone
25 to the governing bodies of the other taxing units in the manner
26 provided by Section 311.003(e), Tax Code, before May 31, 1999, and
27 within the boundaries of the zone as those boundaries existed on

1 September 1, 1999, including subsequent improvements to the
2 property regardless of when made;

3 (B) generates taxes paid into a tax increment
4 fund created under Chapter 311, Tax Code, under a reinvestment zone
5 financing plan approved under Section 311.011(d), Tax Code, on or
6 before September 1, 1999; and

7 (C) is eligible for tax increment financing under
8 Chapter 311, Tax Code;

9 (5) for a school district for which a deduction from
10 taxable value is made under Subdivision (4), an amount equal to the
11 taxable value required to generate revenue when taxed at the school
12 district's current tax rate in an amount that, when added to the
13 taxes of the district paid into a tax increment fund as described by
14 Subdivision (4)(B), is equal to the total amount of taxes the
15 district would have paid into the tax increment fund if the district
16 levied taxes at the rate the district levied in 2005;

17 (6) the total dollar amount of any captured appraised
18 value of property that:

19 (A) is within a reinvestment zone:

20 (i) created on or before December 31, 2008,
21 by a municipality with a population of less than 18,000; and

22 (ii) the project plan for which includes
23 the alteration, remodeling, repair, or reconstruction of a
24 structure that is included on the National Register of Historic
25 Places and requires that a portion of the tax increment of the zone
26 be used for the improvement or construction of related facilities
27 or for affordable housing;

1 (B) generates school district taxes that are paid
2 into a tax increment fund created under Chapter 311, Tax Code; and

3 (C) is eligible for tax increment financing under
4 Chapter 311, Tax Code;

5 (7) the total dollar amount of any exemptions granted
6 under Section 11.251 or 11.253, Tax Code;

7 (8) the difference between the comptroller's estimate
8 of the market value and the productivity value of land that
9 qualifies for appraisal on the basis of its productive capacity,
10 except that the productivity value estimated by the comptroller may
11 not exceed the fair market value of the land;

12 (9) the portion of the appraised value of residence
13 homesteads of individuals who receive a tax limitation under
14 Section 11.26, Tax Code, on which school district taxes are not
15 imposed in the year that is the subject of the study, calculated as
16 if the residence homesteads were appraised at the full value
17 required by law;

18 (10) a portion of the market value of property not
19 otherwise fully taxable by the district at market value because of:

20 (A) action required by statute or the
21 constitution of this state that, if the tax rate adopted by the
22 district is applied to it, produces an amount equal to the
23 difference between the tax that the district would have imposed on
24 the property if the property were fully taxable at market value and
25 the tax that the district is actually authorized to impose on the
26 property, if this subsection does not otherwise require that
27 portion to be deducted; or

1 (B) action taken by the district under Subchapter
2 B or C, Chapter 313, Tax Code;

3 (11) the market value of all tangible personal
4 property, other than manufactured homes, owned by a family or
5 individual and not held or used for the production of income;

6 (12) the appraised value of property the collection of
7 delinquent taxes on which is deferred under Section 33.06, Tax
8 Code;

9 (13) the portion of the appraised value of property
10 the collection of delinquent taxes on which is deferred under
11 Section 33.065, Tax Code; and

12 (14) the amount by which the market value of a
13 residence homestead to which Section 23.23, Tax Code, applies
14 exceeds the appraised value of that property as calculated under
15 that section.

16 SECTION 7. (a) The exemption from ad valorem taxation of a
17 residence homestead authorized by Section 11.13(s), Tax Code, as
18 added by this Act, applies to taxes imposed beginning with the 2009
19 tax year.

20 (b) Section 11.431, Tax Code, applies to an application for
21 an exemption under Section 11.13(s), Tax Code, as added by this Act,
22 for the 2009 tax year. If the application is approved after the
23 applicant has paid the taxes on the residence homestead for that tax
24 year, the applicant is entitled to a refund as provided by Section
25 11.431, Tax Code.

26 SECTION 8. This Act takes effect on the date on which the
27 constitutional amendment proposed by the 81st Legislature, Regular

1 Session, 2009, authorizing the legislature to exempt from ad
2 valorem taxation a portion of the assessed value of the residence
3 homesteads of United States military servicemembers, including
4 members of the national guard or military reserves, who are serving
5 on active duty takes effect. If that amendment is not approved by
6 the voters, this Act has no effect.