

By: Bolton

H.B. No. 1000

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the amounts of certain residence homestead exemptions
3 from ad valorem taxation and the adjustment of the amounts of those
4 exemptions applicable to a homestead based on changes in the
5 appraised value of the homestead.

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

7 SECTION 1. Sections 11.13(a) and (b), Tax Code, are amended
8 to read as follows:

9 (a) A family or single adult is entitled to an exemption
10 from taxation for the county purposes authorized in Article VIII,
11 Section 1-a, of the Texas Constitution of a portion [~~\$3,000~~] of the
12 assessed value of the family's or single adult's [~~his~~] residence
13 homestead. For the later of the 2010 tax year or the first tax year
14 the family or single adult receives the exemption for the residence
15 homestead, the amount of the exemption is \$6,000. For each
16 subsequent tax year, the amount of the exemption shall be
17 calculated by the chief appraiser by multiplying the amount of the
18 exemption for the preceding tax year by the percentage change in the
19 appraised value of the residence homestead from the preceding tax
20 year and adding that amount to the amount of the exemption for the
21 preceding tax year.

22 (b) An adult is entitled to exemption from taxation by a
23 school district of a portion [~~\$15,000~~] of the appraised value of the
24 adult's residence homestead in the amount provided by this

1 subsection, except that only \$5,000 [~~\$10,000~~] of the exemption
2 applies [~~does not apply~~] to an entity operating under former
3 Chapter 17, 18, 25, 26, 27, or 28, Education Code, as those chapters
4 existed on May 1, 1995, as permitted by Section 11.301, Education
5 Code. For the later of the 2010 tax year or the first tax year the
6 adult receives the exemption for the residence homestead, the
7 amount of the exemption is \$30,000. For each subsequent tax year,
8 the amount of the exemption shall be calculated by the chief
9 appraiser by multiplying the amount of the exemption for the
10 preceding tax year by the percentage change in the appraised value
11 of the residence homestead from the preceding tax year and adding
12 that amount to the amount of the exemption for the preceding tax
13 year.

14 SECTION 2. Section 42.2511(a), Education Code, is amended
15 to read as follows:

16 (a) Notwithstanding any other provision of this chapter, a
17 school district is entitled to additional state aid to the extent
18 that state aid under this chapter based on the determination of the
19 school district's taxable value of property as provided under
20 Subchapter M, Chapter 403, Government Code, does not fully
21 compensate the district for ad valorem tax revenue lost due to:

22 (1) the increase in the homestead exemption under
23 Section 1-b(c), Article VIII, Texas Constitution, as proposed by
24 H.J.R. No. 4, 75th Legislature, Regular Session, 1997, and the
25 additional limitation on tax increases under Section 1-b(d),
26 Article VIII, Texas Constitution, as proposed by H.J.R. No. 4, 75th
27 Legislature, Regular Session, 1997; [~~and~~]

1 (2) the reduction of the limitation on tax increases
2 to reflect any reduction in the school district tax rate as provided
3 by Section 11.26(a-1), (a-2), or (a-3), Tax Code, as applicable;
4 and

5 (3) the increase in the homestead exemption from ad
6 valorem taxation for general elementary and secondary public school
7 purposes under Section 1-b(c), Article VIII, Texas Constitution, as
8 proposed by the 81st Legislature, Regular Session, 2009.

9 SECTION 3. Section 403.302(j), Government Code, is amended
10 to read as follows:

11 (j) For purposes of Section 42.2511, Education Code, the
12 comptroller shall certify to the commissioner of education:

13 (1) a final value for each school district computed on
14 a residence homestead exemption under Section 1-b(c), Article VIII,
15 Texas Constitution, of \$5,000;

16 (2) a final value for each school district computed
17 on:

18 (A) a residence homestead exemption under
19 Section 1-b(c), Article VIII, Texas Constitution, of \$15,000; and

20 (B) the effect of the additional limitation on
21 tax increases under Section 1-b(d), Article VIII, Texas
22 Constitution, as proposed by H.J.R. No. 4, 75th Legislature,
23 Regular Session, 1997; ~~and~~

24 (3) a final value for each school district computed on
25 the effect of the reduction of the limitation on tax increases to
26 reflect any reduction in the school district tax rate as provided by
27 Section 11.26(a-1), (a-2), or (a-3), Tax Code, as applicable; and

1 (4) a final value for each school district computed on
2 a residence homestead exemption from ad valorem taxation for
3 general elementary and secondary public school purposes under
4 Section 1-b(c), Article VIII, Texas Constitution, of the average
5 amount determined under that section for a homestead in the school
6 district for the tax year in which the school year for which the
7 additional state aid is to be determined begins.

8 SECTION 4. This Act applies only to ad valorem taxes imposed
9 for a tax year beginning on or after the effective date of this Act.

10 SECTION 5. This Act takes effect January 1, 2010, but only
11 if the constitutional amendment proposed by the 81st Legislature,
12 Regular Session, 2009, increasing the amounts of certain residence
13 homestead exemptions from ad valorem taxation and providing for the
14 adjustment of the amounts of those exemptions applicable to a
15 homestead based on changes in the appraised value of the homestead
16 is approved by the voters. If that amendment is not approved by the
17 voters, this Act has no effect.