

By: McReynolds

H.B. No. 1155

A BILL TO BE ENTITLED

AN ACT

relating to the ad valorem taxation of the residence homestead of a disabled veteran or the surviving spouse of a disabled veteran.

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

SECTION 1. Section 11.22, Tax Code, is amended by adding Subsections (i) and (j) to read as follows:

(i) A disabled veteran or surviving spouse who has previously qualified a parcel of real property for a residence homestead exemption provided by Section 11.13 and for an exemption provided by this section may transfer the exemption provided by this section to a different parcel of real property if the person:

(1) qualifies that parcel as the person's residence homestead;

(2) applies to the chief appraiser of the appraisal district in which the new residence homestead is located for an exemption applicable to the new residence homestead under Section 11.13 and for an exemption applicable to the new residence homestead provided by this section; and

(3) requests that the exemption provided by this section applicable to the former residence homestead be transferred to the new residence homestead.

(j) An exemption provided by this section that is transferred under Subsection (i) applies to the new residence homestead as of the date the new residence homestead qualifies for

1 the exemption under Section 11.13, and the exemption provided by  
2 this section applicable to the former residence homestead  
3 terminates on that date. If the former residence homestead was  
4 located in another appraisal district, the chief appraiser of the  
5 appraisal district in which the new residence homestead is located  
6 shall notify the chief appraiser of the appraisal district in which  
7 the former residence homestead was located that the disabled  
8 veteran or surviving spouse has qualified a new residence homestead  
9 for an exemption under this section and the date on which the new  
10 residence homestead was qualified, and the chief appraiser of the  
11 other appraisal district shall cancel the exemption provided by  
12 this section applicable to the former residence homestead as of the  
13 date that the disabled veteran or surviving spouse qualified the  
14 new residence homestead for an exemption under this section.

15 SECTION 2. Section 11.42, Tax Code, is amended by amending  
16 Subsection (a) and adding Subsection (c-1) to read as follows:

17 (a) Except as provided by Subsections (b), ~~(c)~~, and  
18 (c-1) and by Sections 11.421, 11.422, 11.434, 11.435, and 11.436,  
19 eligibility for and amount of an exemption authorized by this  
20 chapter for any tax year are determined by a claimant's  
21 qualifications on January 1. A person who does not qualify for an  
22 exemption on January 1 of any year may not receive the exemption  
23 that year.

24 (c-1) An exemption provided by Section 11.22 that is  
25 transferred to a parcel of real property under Sections 11.22(i)  
26 and (j) is effective as of January 1 of the tax year in which the  
27 property owner qualifies the property for an exemption under

1 Section 11.13 and applies to the entire tax year.

2 SECTION 3. Chapter 26, Tax Code, is amended by adding  
3 Sections 26.114 and 26.115 to read as follows:

4 Sec. 26.114. PRORATING TAXES: TERMINATION OF RESIDENCE  
5 HOMESTEAD AND DISABLED VETERAN EXEMPTIONS. (a) In this section,  
6 "disabled veteran" and "surviving spouse" have the meanings  
7 assigned by Section 11.22.

8 (b) This section applies only in connection with the former  
9 residence homestead of a disabled veteran or surviving spouse who,  
10 under Sections 11.22(i) and (j), has transferred an exemption  
11 provided by Section 11.22 applicable to the person's former  
12 residence homestead to a different residence homestead.

13 (c) If the appraisal roll shows that the exemption provided  
14 by Section 11.22 applicable to the former residence homestead on  
15 January 1 of a year terminated during the year and if the disabled  
16 veteran or surviving spouse transfers that exemption to a different  
17 property during the same year, the tax due against the former  
18 residence homestead is calculated by:

19 (1) subtracting:

20 (A) the amount of the taxes that otherwise would  
21 be imposed on the former residence homestead for the entire year had  
22 the exemption under Section 11.22 for which the property qualified  
23 been applicable to the former residence homestead for the entire  
24 year; from

25 (B) the amount of the taxes that otherwise would  
26 be imposed on the former residence homestead for the entire year had  
27 the property not qualified for that exemption during the year;

1           (2) multiplying the remainder determined under  
2 Subdivision (1) by a fraction, the denominator of which is 365 and  
3 the numerator of which is the number of days that elapsed after the  
4 date the exemption under Section 11.22 for which the property  
5 qualified terminated; and

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

8           (d) Section 26.10 does not apply to a property for which the  
9 tax due is calculated under this section.

10           Sec. 26.115. CALCULATION OF TAXES ON RESIDENCE HOMESTEAD OF  
11 DISABLED VETERAN OR SURVIVING SPOUSE. (a) In this section,  
12 "disabled veteran" and "surviving spouse" have the meanings  
13 assigned by Section 11.22.

14           (b) If at any time during a tax year a disabled veteran or  
15 surviving spouse under Sections 11.22(i) and (j) transfers an  
16 exemption provided by Section 11.22 to a different residence  
17 homestead, the amount of the tax due on that property for the tax  
18 year is calculated as if the person qualified for that exemption on  
19 January 1 and continued to qualify for that exemption for the  
20 remainder of the tax year.

21           (c) If a disabled veteran or surviving spouse under Sections  
22 11.22(i) and (j) transfers an exemption provided by Section 11.22  
23 after the amount of the tax due on the property is calculated and  
24 the effect of the transfer is to reduce the amount of the tax due on  
25 the property, the assessor for each taxing unit shall recalculate  
26 the amount of the tax due on the property and correct the tax roll.  
27 If the tax bill has been mailed and the tax on the property has not

1 been paid, the assessor shall mail a corrected tax bill to the  
2 person in whose name the property is listed on the tax roll or to the  
3 person's authorized agent. If the tax on the property has been  
4 paid, the tax collector for the taxing unit shall refund to the  
5 person who paid the tax the amount by which the payment exceeded the  
6 tax due.

7 (d) Section 26.112 does not apply to a property for which  
8 the tax due is calculated under this section.

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

12 SECTION 5. This Act takes effect January 1, 2010.