

By: Dunnam

H.B. No. 3966

A BILL TO BE ENTITLED

AN ACT

relating to the qualification date for a residence homestead exemption from ad valorem taxation applicable to certain property.

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

SECTION 1. Chapter 26, Tax Code, is amended by adding Section 26.1125 to read as follows:

Sec. 26.1125. PRORATING TAXES ON CERTAIN RESIDENCE HOMESTEADS. (a) This section applies only to property that has an appraised value that does not exceed 125 percent of the median appraised value of residence homesteads in the county in which the property is located.

(b) Notwithstanding Section 11.42(a), a person who acquires property after January 1 and before October 1 of a tax year is entitled to receive an exemption authorized by Section 11.13, other than an exemption authorized by Section 11.13(c) or (d) for an individual 65 years of age or older, for a portion of that tax year immediately on qualification for the exemption. If the person qualifies the property for an exemption authorized by Section 11.13, other than an exemption authorized by Section 11.13(c) or (d) for an individual 65 years of age or older, before October 1 of the tax year in which the person acquires the property, the amount of tax due on the property is calculated by:

(1) subtracting:

(A) the amount of the taxes that otherwise would

1 be imposed on the property for the entire year had the individual
2 qualified for the exemption for the entire year; from

3 (B) the amount of the taxes that otherwise would
4 be imposed on the property for the entire year had the individual
5 not qualified for the exemption during the year;

6 (2) multiplying the remainder determined under
7 Subdivision (1) by:

8 (A) three-fourths, if the person acquired the
9 property during the first quarter of the tax year;

10 (B) one-half, if the person acquired the property
11 during the second quarter of the tax year; or

12 (C) one-fourth, if the person acquired the
13 property during the third quarter of the tax year; and

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

16 (c) Notwithstanding Section 11.43(d), a person who after
17 January 1 and before October 1 of a tax year acquires property that
18 qualifies for an exemption described by Subsection (b) must apply
19 for the exemption for that tax year before the first anniversary of
20 the date the person acquires the property.

21 (d) If a person qualifies for an exemption described by
22 Subsection (b) with respect to the property after the amount of the
23 tax due on the property is calculated and the effect of the
24 qualification is to reduce the amount of the tax due on the
25 property, the assessor for each taxing unit shall recalculate the
26 amount of the tax due on the property and correct the tax roll. If
27 the tax bill has been mailed and the tax on the property has not been

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

6 (e) This section expires January 1, 2012.

7 SECTION 2. This Act applies only to ad valorem taxes imposed
8 for a tax year that begins on or after the effective date of this
9 Act.

10 SECTION 3. This Act takes effect September 1, 2009.