

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

March 24, 2009

TO: Honorable Rene Oliveira, Chair, House Committee on Ways & Means

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HJR17 by Guillen (Proposing a constitutional amendment to authorize a political subdivision to establish a limitation on the total amount of ad valorem taxes that may be imposed by the political subdivision on the residence homestead of an eligible person who is a member of a reserve component of the United States armed forces and is ordered to active military duty.),
As Introduced

The resolution alone would have no fiscal implication to the State other than the cost of publication. Any additional fiscal implication would be attributable to the corresponding enabling legislation. The cost to the state for publication of the resolution is \$90,882.

This resolution would propose a constitutional amendment to allow local jurisdictions to establish a limitation on the amount of ad valorem taxes on the homestead of person serving in a reserve component of the U.S. military who is ordered to active duty.

Under the proposed amendment, local jurisdictions could adopt the limitation by an act of its governing body or by an election initiated by a petition signed by five percent of the registered voters. The proposed amendment contains provisions for adjusting the limitation for improvements and for transferring the limitation to a subsequent homestead.

The proposed amendment would authorize the Legislature to set limits for distance stationed from homestead and for length of active duty.

Although this resolution would not make a direct change to ad valorem tax collections, it would establish a constitutional basis for local jurisdictions to adopt certain limitations on the ad valorem tax of residence homesteads.

The proposed constitutional amendment would be submitted to voters on November 3, 2009.

Local Government Impact

The proposed constitutional amendment alone would have no fiscal implication to units of local government. Any fiscal implication would be attributable to the corresponding enabling legislation.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, MN, SD, SJS