

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION**

**April 27, 2009**

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

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

**IN RE: HJR64** by Eiland (Proposing a constitutional amendment authorizing a political subdivision to exempt from ad valorem taxation the total assessed value of the residence homestead of a member of a reserve component of the United States armed forces who is serving on active duty during a war or national emergency.), **As Introduced**

**To the extent that school districts and other taxing units choose to grant the total homestead exemption for active duty military reserves, there would be a cost to taxing units and to the state through the operation of the school funding formulas.**

**The cost to the state for publication of the resolution is \$90,882.**

The resolution would propose a constitutional amendment to Section 1-b, Article VIII of the Texas Constitution to allow a political subdivision to exempt from ad valorem taxation the total assessed value of the residence homestead of a member of a reserve component of the U.S. armed forces, including the National Guard, who is serving on active duty during a war or national emergency. The Legislature would be authorized to prescribe eligibility requirements for this exemption.

To the extent that school districts and other taxing units choose to grant the total homestead exemption for active duty military reserves, there would be a cost to taxing units and to the state through the operation of the school funding formulas. The future decisions of taxing units or voters in granting the exemption cannot be predicted, so the cost of the optional exemption cannot be estimated. Further, the resolution states that the Legislature, by general law, could prescribe eligibility requirements.

The proposed amendment would be submitted to voters at an election to be held November 3, 2009.

**Local Government Impact**

The future decisions of taxing units or voters in granting the exemption cannot be predicted, so the cost of the optional exemption cannot be estimated.

**Source Agencies:** 304 Comptroller of Public Accounts

**LBB Staff:** JOB, MN, SD