

BILL ANALYSIS

H.B. 3488
By: Menendez
Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Interested parties are concerned that a loophole exists in the Tax Code that allows an individual to circumvent certain provisions relating to a property tax exemption for the residence homestead of an elderly or disabled person. The parties suggest that this loophole allows an individual who owned property before marriage or who purchased property after marriage but did not show the spouse as an owner to remain the sole, non-eligible owner for purposes of resale or disposal and to improperly take advantage of exemptions intended for other people. H.B. 3488 seeks to close such a loophole by adding to the requirements for demonstrating eligibility for the exemption.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 3488 amends the Tax Code to require the application form for a property tax exemption for the residence homestead of an elderly or disabled person to require an applicant for that exemption who is not specifically identified on a deed or other appropriate instrument recorded in the applicable real property records as an owner of the residence homestead to provide an affidavit or other compelling evidence establishing the applicant's ownership of an interest in the homestead. The bill limits the applicability of this requirement to property taxes imposed for a tax year beginning on or after January 1, 2012.

H.B. 3488 requires the chief appraiser of each appraisal district, not later than the 180th day after the bill's effective date, to provide notice of the bill's requirement by mail to each person who received a property tax exemption for the residence homestead of an elderly or disabled person for the 2011 tax year and who is not specifically identified on a deed or other appropriate instrument recorded in the applicable real property records as an owner of the residence homestead. The bill requires such a person to reapply for the exemption to receive it for the 2012 tax year.

H.B. 3488 establishes legislative intent that the passage by the 82nd Legislature, Regular Session, 2011, of another bill that amends statutory provisions relating to an application for a property tax exemption and the amendments made by the bill be harmonized, if possible, as provided by Government Code provisions relating to irreconcilable statutes and amendments, so that effect may be given to each, but that, if irreconcilable, the bill prevails, regardless of relative dates of enactment, to the extent that any differences are irreconcilable.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2011.