

BILL ANALYSIS

S.B. 516
By: Patrick
Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Certain disabled veterans are entitled to an exemption from taxation of the total appraised value of the veteran's residence homestead. Interested parties note that, in some instances, the spouses of disabled veterans forgo career opportunities and reduce work hours as a consequence of the disability, which affects the spouse's income and retirement. S.B. 516 seeks to grant an exemption from property taxes of all or part of the appraised value of the residence homestead of the surviving spouse of certain disabled veterans.

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

S.B. 516 amends the Tax Code to entitle the surviving spouse of a 100 percent or totally disabled veteran who qualified for a residence homestead exemption from property taxes when the disabled veteran died to a residence homestead exemption for the same property to which the disabled veteran's exemption applied if the surviving spouse has not remarried since the death of the disabled veteran and the property was the residence homestead of the surviving spouse when the disabled veteran died and remains as such. The bill entitles a surviving spouse who qualifies for such an exemption, if the surviving spouse subsequently qualifies a different property as the surviving spouse's residence homestead, to an exemption from taxation of the subsequently qualified homestead in an amount equal to the dollar amount of the exemption from taxation of the former homestead in the last year in which the surviving spouse received the exemption for that homestead if the surviving spouse has not remarried since the death of the disabled veteran. The bill entitles the surviving spouse to receive from the chief appraiser of the appraisal district in which the former residence homestead was located a written certificate providing the information necessary to determine the amount of the exemption to which the surviving spouse is entitled on the subsequently qualified homestead.

S.B. 516 defines "surviving spouse," limits the applicability of its provisions to a tax year beginning on or after January 1, 2012, and makes a conforming change.

EFFECTIVE DATE

January 1, 2012, if the constitutional amendment proposed by the 82nd Legislature, Regular Session, 2011, authorizing the legislature to exempt from property taxes all or part of the market value of the residence homestead of the surviving spouse of a 100 percent or totally disabled veteran is approved by the voters.