

By: Schwertner

H.J.R. No. 139

A JOINT RESOLUTION

1 proposing a constitutional amendment to revise the ad valorem tax  
2 limitations on residence homesteads of elderly and disabled persons  
3 and their surviving spouses to take into account certain residence  
4 homestead exemptions.

5 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Sections 1-b(d) and (h), Article VIII, Texas  
7 Constitution, are amended to read as follows:

8 (d) Except as otherwise provided by this subsection, if a  
9 person receives a residence homestead exemption prescribed by  
10 Subsection (c) of this section for homesteads of persons who are  
11 sixty-five (65) years of age or older or who are disabled, and the  
12 person also receives all or part of the \$15,000 exemption  
13 prescribed by Subsection (c) of this section or the exemption  
14 authorized by Subsection (e) of this section, the total amount of ad  
15 valorem taxes imposed on that homestead for general elementary and  
16 secondary public school purposes may not be increased while it  
17 remains the residence homestead of that person or that person's  
18 spouse who receives the exemptions necessary to qualify for a  
19 limitation provided by this subsection [~~exemption~~]. If a person  
20 sixty-five (65) years of age or older dies in a year in which the  
21 person received the exemptions necessary to qualify for a  
22 limitation provided by this subsection [~~exemption~~], the total  
23 amount of ad valorem taxes imposed on the homestead for general  
24 elementary and secondary public school purposes may not be

1 increased while it remains the residence homestead of that person's  
2 surviving spouse if the spouse is fifty-five (55) years of age or  
3 older at the time of the person's death, subject to any exceptions  
4 provided by general law. If a person sixty-five (65) years of age  
5 or older dies in the first tax year the person qualified for the  
6 exemption prescribed by Subsection (c) of this section for  
7 homesteads of persons who are sixty-five (65) years of age or older  
8 or who are disabled and the person qualified for that exemption  
9 after the beginning of that first tax year, while that person's  
10 residence homestead remains the residence homestead of the person's  
11 surviving spouse, the surviving spouse is entitled to a limitation  
12 under this subsection on the residence homestead computed as if the  
13 person receiving the exemption had lived for the entire subsequent  
14 tax year and had qualified for a limitation provided by this  
15 subsection in that subsequent tax year, if the surviving spouse is  
16 fifty-five (55) years of age or older at the time of the person's  
17 death, subject to any exceptions provided by general law. The  
18 legislature, by general law, may provide for the transfer of all or  
19 a proportionate amount of a limitation provided by this subsection  
20 for a person who qualifies for the limitation and establishes a  
21 different residence homestead. However, taxes otherwise limited by  
22 this subsection may be increased to the extent the value of the  
23 homestead is increased by improvements other than repairs or  
24 improvements made to comply with governmental requirements and  
25 except as may be consistent with the transfer of a limitation under  
26 this subsection. For a residence homestead subject to the  
27 limitation provided by this subsection in the 1996 tax year or an

1 earlier tax year, the legislature shall provide for a reduction in  
2 the amount of the limitation for the 1997 tax year and subsequent  
3 tax years in an amount equal to \$10,000 multiplied by the 1997 tax  
4 rate for general elementary and secondary public school purposes  
5 applicable to the residence homestead.

6 (h) The governing body of a county, a city or town, or a  
7 junior college district by official action may provide that if a  
8 person who is disabled or is sixty-five (65) years of age or older  
9 receives a residence homestead exemption prescribed or authorized  
10 by this section, the total amount of ad valorem taxes imposed on  
11 that homestead by the county, the city or town, or the junior  
12 college district may not be increased while it remains the  
13 residence homestead of that person or that person's spouse who is  
14 disabled or sixty-five (65) years of age or older and receives a  
15 residence homestead exemption on the homestead. As an alternative,  
16 on receipt of a petition signed by five percent (5%) of the  
17 registered voters of the county, the city or town, or the junior  
18 college district, the governing body of the county, the city or  
19 town, or the junior college district shall call an election to  
20 determine by majority vote whether to establish a tax limitation  
21 provided by this subsection. If a county, a city or town, or a  
22 junior college district establishes a tax limitation provided by  
23 this subsection, to be entitled to receive the limitation, a person  
24 who receives an exemption prescribed or authorized by this section  
25 for persons who are disabled or sixty-five (65) years of age or  
26 older must also receive a residence homestead exemption prescribed  
27 or authorized by Subsection (a) or (e) of this section. A

1 limitation received by that person shall be applied to the person's  
2 spouse who receives the exemptions necessary to qualify for a  
3 limitation provided by this subsection. If a county, a city or  
4 town, or a junior college district establishes a tax limitation  
5 provided by this subsection and a disabled person or a person  
6 sixty-five (65) years of age or older dies in a year in which the  
7 person received the exemptions necessary to qualify for a  
8 limitation provided by this subsection [~~a residence homestead~~  
9 ~~exemption~~], the total amount of ad valorem taxes imposed on the  
10 homestead by the county, the city or town, or the junior college  
11 district may not be increased while it remains the residence  
12 homestead of that person's surviving spouse if the spouse is  
13 fifty-five (55) years of age or older at the time of the person's  
14 death, subject to any exceptions provided by general law. If a  
15 county, a city or town, or a junior college district establishes a  
16 tax limitation provided by this subsection, and a person who  
17 receives the exemption prescribed by Subsection (b) or (c) of this  
18 section for homesteads of persons who are sixty-five (65) years of  
19 age or older or who are disabled dies in the first tax year the  
20 person qualified for the exemption and the person qualified for the  
21 exemption after the beginning of that first tax year, while the  
22 person's residence homestead remains the residence homestead of the  
23 person's surviving spouse, the surviving spouse is entitled to a  
24 limitation under this section on the residence homestead computed  
25 as if the person receiving the exemption had lived for the entire  
26 subsequent tax year and had qualified for a limitation provided by  
27 this subsection in that subsequent tax year if the spouse is

1 fifty-five (55) years of age or older at the time of the person's  
2 death, subject to any exceptions provided by general law. The  
3 legislature, by general law, may provide for the transfer of all or  
4 a proportionate amount of a tax limitation provided by this  
5 subsection for a person who qualifies for the limitation and  
6 establishes a different residence homestead within the same county,  
7 within the same city or town, or within the same junior college  
8 district. A county, a city or town, or a junior college district  
9 that establishes a tax limitation under this subsection must comply  
10 with a law providing for the transfer of the limitation, even if the  
11 legislature enacts the law subsequent to the county's, the city's or  
12 town's, or the junior college district's establishment of the  
13 limitation. Taxes otherwise limited by a county, a city or town, or  
14 a junior college district under this subsection may be increased to  
15 the extent the value of the homestead is increased by improvements  
16 other than repairs and other than improvements made to comply with  
17 governmental requirements and except as may be consistent with the  
18 transfer of a tax limitation under a law authorized by this  
19 subsection. The governing body of a county, a city or town, or a  
20 junior college district may not repeal or rescind a tax limitation  
21 established under this subsection.

22 SECTION 2. The following temporary provision is added to  
23 the Texas Constitution:

24 TEMPORARY PROVISION. (a) This temporary provision applies  
25 to the constitutional amendment proposed by the 82nd Legislature,  
26 Regular Session, 2011, to revise the ad valorem tax limitations on  
27 residence homesteads of elderly and disabled persons and their

1 surviving spouses to take into account certain residence homestead  
2 exemptions.

3 (b) The amendment to Sections 1-b(d) and (h), Article VIII,  
4 of this constitution takes effect January 1, 2012, and applies only  
5 to a tax year beginning on or after that date.

6 (c) This temporary provision expires January 1, 2013.

7 SECTION 3. This proposed constitutional amendment shall be  
8 submitted to the voters at an election to be held November 8, 2011.  
9 The ballot shall be printed to permit voting for or against the  
10 proposition: "The constitutional amendment to revise the ad  
11 valorem tax limitations on residence homesteads of elderly and  
12 disabled persons and their surviving spouses to take into account  
13 certain residence homestead exemptions."