

By: Jackson

S.B. No. 1205

A BILL TO BE ENTITLED

AN ACT

relating to the application of the limit on appraised value of a residence homestead for ad valorem tax purposes to an improvement that is a replacement structure for a structure that was rendered uninhabitable or unusable by a casualty or by wind or water damage.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 23.23, Tax Code, is amended by adding Subsection (g) to read as follows:

(g) Notwithstanding Subsection (f)(2), a replacement structure described by that subdivision is not considered to be a new improvement if to satisfy the requirements of a building code, fire code, or other local ordinance or a government assistance program that provided funding for the construction of the replacement structure it was necessary that:

(1) the square footage of the replacement structure exceed that of the replaced structure as that structure existed before the casualty or damage occurred; or

(2) the exterior of the replacement structure be of higher quality construction and composition than that of the replaced structure.

SECTION 2. This Act applies only to the appraisal of a residence homestead for ad valorem tax purposes for a tax year that begins on or after January 1, 2012.

SECTION 3. This Act takes effect January 1, 2012.