

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

May 9, 2011

TO: Honorable Steve Ogden, Chair, Senate Committee on Finance

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

IN RE: SJR14 by Van de Putte (proposing a constitutional amendment authorizing the legislature to provide for an exemption from ad valorem taxation of all or part of the market value of the residence homestead of the surviving spouse of a 100 percent or totally disabled veteran.),
Committee Report 1st House, Substituted

No fiscal implication to the State is anticipated, other than the cost of publication.

The cost to the state for publication of the resolution is \$105,495.

The resolution would propose an amendment to Section 1-b, Article VIII, of the Texas Constitution, to authorize the Legislature to provide that the surviving spouse of a deceased 100 percent or totally disabled veteran is entitled to a specified property tax exemption on the surviving spouse's residence homestead. The exemption would be the same portion of the market value of the residence homestead exempted for the disabled veteran. The surviving spouse is entitled to the exemption if the surviving spouse has not remarried, the property was the residence homestead of the surviving spouse when the disabled veteran died, and the property remains the residence homestead of the surviving spouse.

The proposed amendment also would authorize the Legislature to provide that if the surviving spouse subsequently qualifies a different property as a residence homestead and has not remarried, the surviving spouse would be entitled to a property tax exemption on that homestead of the same dollar amount received on the former homestead that qualified for the surviving spouse homestead exemption.

Adoption of the proposed amendment alone would have no fiscal impact on the state other than the cost of publication. Any loss of revenue would be attributable to the corresponding enabling legislation.

The proposed amendment would take effect January 1, 2012, and applies only to a tax year beginning on or after that date.

The proposed amendment would be submitted to voters at an election to be held November 8, 2011.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, KK, SD, SJS