

By: Perry, White, Flynn, Farias,
Miller of Fort Bend, et al.

H.B. No. 97

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the exemption from ad valorem taxation of part of the
3 appraised value of the residence homestead of a partially disabled
4 veteran or the surviving spouse of a partially disabled veteran if
5 the residence homestead was donated to the disabled veteran by a
6 charitable organization.

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

8 SECTION 1. Subchapter B, Chapter 11, Tax Code, is amended by
9 adding Section 11.132 to read as follows:

10 Sec. 11.132. DONATED RESIDENCE HOMESTEAD OF PARTIALLY
11 DISABLED VETERAN. (a) In this section:

12 (1) "Charitable organization" means an organization
13 that is exempt from federal income taxation under Section 501(a),
14 Internal Revenue Code of 1986, as an organization described by
15 Section 501(c)(3) of that code.

16 (2) "Disability rating" and "disabled veteran" have
17 the meanings assigned by Section 11.22.

18 (3) "Residence homestead" has the meaning assigned by
19 Section 11.13.

20 (4) "Surviving spouse" has the meaning assigned by
21 Section 11.131.

22 (b) A disabled veteran who has a disability rating of less
23 than 100 percent is entitled to an exemption from taxation of a
24 percentage of the appraised value of the disabled veteran's

1 residence homestead equal to the disabled veteran's disability
2 rating if the residence homestead was donated to the disabled
3 veteran by a charitable organization at no cost to the disabled
4 veteran.

5 (c) The surviving spouse of a disabled veteran who qualified
6 for an exemption under Subsection (b) of a percentage of the
7 appraised value of the disabled veteran's residence homestead when
8 the disabled veteran died is entitled to an exemption from taxation
9 of the same percentage of the appraised value of the same property
10 to which the disabled veteran's exemption applied if:

11 (1) the surviving spouse has not remarried since the
12 death of the disabled veteran; and

13 (2) the property:

14 (A) was the residence homestead of the surviving
15 spouse when the disabled veteran died; and

16 (B) remains the residence homestead of the
17 surviving spouse.

18 (d) If a surviving spouse who qualifies for an exemption
19 under Subsection (c) subsequently qualifies a different property as
20 the surviving spouse's residence homestead, the surviving spouse is
21 entitled to an exemption from taxation of the subsequently
22 qualified residence homestead in an amount equal to the dollar
23 amount of the exemption from taxation of the former residence
24 homestead under Subsection (c) in the last year in which the
25 surviving spouse received an exemption under that subsection for
26 that residence homestead if the surviving spouse has not remarried
27 since the death of the disabled veteran. The surviving spouse is

1 entitled to receive from the chief appraiser of the appraisal
2 district in which the former residence homestead was located a
3 written certificate providing the information necessary to
4 determine the amount of the exemption to which the surviving spouse
5 is entitled on the subsequently qualified residence homestead.

6 SECTION 2. Section 11.42(c), Tax Code, is amended to read as
7 follows:

8 (c) An exemption authorized by Section 11.13(c) or (d) or
9 11.132 is effective as of January 1 of the tax year in which the
10 person qualifies for the exemption and applies to the entire tax
11 year.

12 SECTION 3. Sections 11.43(c) and (k), Tax Code, are amended
13 to read as follows:

14 (c) An exemption provided by Section 11.13, 11.131, 11.132,
15 11.17, 11.18, 11.182, 11.1827, 11.183, 11.19, 11.20, 11.21, 11.22,
16 11.23(h), (j), or (j-1), 11.231, 11.254, 11.29, 11.30, or 11.31,
17 once allowed, need not be claimed in subsequent years, and except as
18 otherwise provided by Subsection (e), the exemption applies to the
19 property until it changes ownership or the person's qualification
20 for the exemption changes. However, the chief appraiser may
21 require a person allowed one of the exemptions in a prior year to
22 file a new application to confirm the person's current
23 qualification for the exemption by delivering a written notice that
24 a new application is required, accompanied by an appropriate
25 application form, to the person previously allowed the exemption.

26 (k) A person who qualifies for an exemption authorized by
27 Section 11.13(c) or (d) or 11.132 must apply for the exemption no

1 later than the first anniversary of the date the person qualified
2 for the exemption.

3 SECTION 4. Section 11.431(a), Tax Code, is amended to read
4 as follows:

5 (a) The chief appraiser shall accept and approve or deny an
6 application for a residence homestead exemption, including an
7 exemption under Section 11.131 or 11.132 for the residence
8 homestead of a disabled veteran or the surviving spouse of a
9 disabled veteran, after the deadline for filing it has passed if it
10 is filed not later than one year after the delinquency date for the
11 taxes on the homestead.

12 SECTION 5. Section 26.10(b), Tax Code, is amended to read as
13 follows:

14 (b) If the appraisal roll shows that a residence homestead
15 exemption under Section 11.13(c) or (d) or 11.132 [~~for an~~
16 ~~individual 65 years of age or older or a residence homestead~~
17 ~~exemption for a disabled individual~~] applicable to a property on
18 January 1 of a year terminated during the year and if the owner
19 qualifies a different property for one of those residence homestead
20 exemptions during the same year, the tax due against the former
21 residence homestead is calculated by:

22 (1) subtracting:

23 (A) the amount of the taxes that otherwise would
24 be imposed on the former residence homestead for the entire year had
25 the individual qualified for the residence homestead exemption for
26 the entire year; from

27 (B) the amount of the taxes that otherwise would

1 be imposed on the former residence homestead for the entire year had
2 the individual not qualified for the residence homestead exemption
3 during the year;

4 (2) multiplying the remainder determined under
5 Subdivision (1) by a fraction, the denominator of which is 365 and
6 the numerator of which is the number of days that elapsed after the
7 date the exemption terminated; and

8 (3) adding the product determined under Subdivision
9 (2) and the amount described by Subdivision (1)(A).

10 SECTION 6. Chapter 26, Tax Code, is amended by adding
11 Section 26.1127 to read as follows:

12 Sec. 26.1127. CALCULATION OF TAXES ON DONATED RESIDENCE
13 HOMESTEAD OF DISABLED VETERAN OR SURVIVING SPOUSE OF DISABLED
14 VETERAN. (a) Except as provided by Section 26.10(b), if at any
15 time during a tax year property is owned by an individual who
16 qualifies for an exemption under Section 11.132, the amount of the
17 tax due on the property for the tax year is calculated as if the
18 individual qualified for the exemption on January 1 and continued
19 to qualify for the exemption for the remainder of the tax year.

20 (b) If an individual qualifies for an exemption under
21 Section 11.132 with respect to the property after the amount of the
22 tax due on the property is calculated and the effect of the
23 qualification is to reduce the amount of the tax due on the
24 property, the assessor for each taxing unit shall recalculate the
25 amount of the tax due on the property and correct the tax roll. If
26 the tax bill has been mailed and the tax on the property has not been
27 paid, the assessor shall mail a corrected tax bill to the individual

1 in whose name the property is listed on the tax roll or to the
2 individual's authorized agent. If the tax on the property has been
3 paid, the tax collector for the taxing unit shall refund to the
4 individual who paid the tax the amount by which the payment exceeded
5 the tax due.

6 SECTION 7. Section 31.031(a), Tax Code, is amended to read
7 as follows:

8 (a) This section applies only to:

9 (1) an individual who is:

10 (A) disabled or at least 65 years of age; and

11 (B) qualified for an exemption under Section
12 11.13(c); or

13 (2) an individual who is:

14 (A) a disabled veteran or the unmarried surviving
15 spouse of a disabled veteran; and

16 (B) qualified for an exemption under Section
17 11.132 or 11.22.

18 SECTION 8. This Act applies only to ad valorem taxes imposed
19 for an ad valorem tax year that begins on or after the effective
20 date of this Act.

21 SECTION 9. This Act takes effect January 1, 2014, but only
22 if the constitutional amendment proposed by the 83rd Legislature,
23 Regular Session, 2013, authorizing the legislature to provide for
24 an exemption from ad valorem taxation of part of the market value of
25 the residence homestead of a partially disabled veteran or the
26 surviving spouse of a partially disabled veteran if the residence
27 homestead was donated to the disabled veteran by a charitable

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1 organization is approved by the voters. If that amendment is not
2 approved by the voters, this Act has no effect.