

1-1 By: Perry, et al. (Senate Sponsor - Van de Putte) H.B. No. 97
 1-2 (In the Senate - Received from the House May 10, 2013;
 1-3 May 13, 2013, read first time and referred to Committee on Finance;
 1-4 May 20, 2013, reported favorably by the following vote: Yeas 14,
 1-5 Nays 0; May 20, 2013, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17	X			
1-18	X			
1-19	X			
1-20			X	
1-21	X			
1-22	X			

1-23 A BILL TO BE ENTITLED
 1-24 AN ACT

1-25 relating to the exemption from ad valorem taxation of part of the
 1-26 appraised value of the residence homestead of a partially disabled
 1-27 veteran or the surviving spouse of a partially disabled veteran if
 1-28 the residence homestead was donated to the disabled veteran by a
 1-29 charitable organization and to the eligibility of the surviving
 1-30 spouse of a person who is disabled to receive a limitation on school
 1-31 district ad valorem taxes on the person's residence homestead.

1-32 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-33 ARTICLE 1. EXEMPTIONS FOR CERTAIN PARTIALLY DISABLED VETERANS

1-34 SECTION 1.01. Subchapter B, Chapter 11, Tax Code, is
 1-35 amended by adding Section 11.132 to read as follows:

1-36 Sec. 11.132. DONATED RESIDENCE HOMESTEAD OF PARTIALLY
 1-37 DISABLED VETERAN. (a) In this section:

1-38 (1) "Charitable organization" means an organization
 1-39 that is exempt from federal income taxation under Section 501(a),
 1-40 Internal Revenue Code of 1986, as an organization described by
 1-41 Section 501(c)(3) of that code.

1-42 (2) "Disability rating" and "disabled veteran" have
 1-43 the meanings assigned by Section 11.22.

1-44 (3) "Residence homestead" has the meaning assigned by
 1-45 Section 11.13.

1-46 (4) "Surviving spouse" has the meaning assigned by
 1-47 Section 11.131.

1-48 (b) A disabled veteran who has a disability rating of less
 1-49 than 100 percent is entitled to an exemption from taxation of a
 1-50 percentage of the appraised value of the disabled veteran's
 1-51 residence homestead equal to the disabled veteran's disability
 1-52 rating if the residence homestead was donated to the disabled
 1-53 veteran by a charitable organization at no cost to the disabled
 1-54 veteran.

1-55 (c) The surviving spouse of a disabled veteran who qualified
 1-56 for an exemption under Subsection (b) of a percentage of the
 1-57 appraised value of the disabled veteran's residence homestead when
 1-58 the disabled veteran died is entitled to an exemption from taxation
 1-59 of the same percentage of the appraised value of the same property
 1-60 to which the disabled veteran's exemption applied if:

1-61 (1) the surviving spouse has not remarried since the

2-1 death of the disabled veteran; and

2-2 (2) the property:

2-3 (A) was the residence homestead of the surviving
2-4 spouse when the disabled veteran died; and

2-5 (B) remains the residence homestead of the
2-6 surviving spouse.

2-7 (d) If a surviving spouse who qualifies for an exemption
2-8 under Subsection (c) subsequently qualifies a different property as
2-9 the surviving spouse's residence homestead, the surviving spouse is
2-10 entitled to an exemption from taxation of the subsequently
2-11 qualified residence homestead in an amount equal to the dollar
2-12 amount of the exemption from taxation of the former residence
2-13 homestead under Subsection (c) in the last year in which the
2-14 surviving spouse received an exemption under that subsection for
2-15 that residence homestead if the surviving spouse has not remarried
2-16 since the death of the disabled veteran. The surviving spouse is
2-17 entitled to receive from the chief appraiser of the appraisal
2-18 district in which the former residence homestead was located a
2-19 written certificate providing the information necessary to
2-20 determine the amount of the exemption to which the surviving spouse
2-21 is entitled on the subsequently qualified residence homestead.

2-22 SECTION 1.02. Section 11.42(c), Tax Code, is amended to
2-23 read as follows:

2-24 (c) An exemption authorized by Section 11.13(c) or (d) or
2-25 11.132 is effective as of January 1 of the tax year in which the
2-26 person qualifies for the exemption and applies to the entire tax
2-27 year.

2-28 SECTION 1.03. Sections 11.43(c) and (k), Tax Code, are
2-29 amended to read as follows:

2-30 (c) An exemption provided by Section 11.13, 11.131, 11.132,
2-31 11.17, 11.18, 11.182, 11.1827, 11.183, 11.19, 11.20, 11.21, 11.22,
2-32 11.23(h), (j), or (j-1), 11.231, 11.254, 11.29, 11.30, or 11.31,
2-33 once allowed, need not be claimed in subsequent years, and except as
2-34 otherwise provided by Subsection (e), the exemption applies to the
2-35 property until it changes ownership or the person's qualification
2-36 for the exemption changes. However, the chief appraiser may
2-37 require a person allowed one of the exemptions in a prior year to
2-38 file a new application to confirm the person's current
2-39 qualification for the exemption by delivering a written notice that
2-40 a new application is required, accompanied by an appropriate
2-41 application form, to the person previously allowed the exemption.

2-42 (k) A person who qualifies for an exemption authorized by
2-43 Section 11.13(c) or (d) or 11.132 must apply for the exemption no
2-44 later than the first anniversary of the date the person qualified
2-45 for the exemption.

2-46 SECTION 1.04. Section 11.431(a), Tax Code, is amended to
2-47 read as follows:

2-48 (a) The chief appraiser shall accept and approve or deny an
2-49 application for a residence homestead exemption, including an
2-50 exemption under Section 11.131 or 11.132 for the residence
2-51 homestead of a disabled veteran or the surviving spouse of a
2-52 disabled veteran, after the deadline for filing it has passed if it
2-53 is filed not later than one year after the delinquency date for the
2-54 taxes on the homestead.

2-55 SECTION 1.05. Section 26.10(b), Tax Code, is amended to
2-56 read as follows:

2-57 (b) If the appraisal roll shows that a residence homestead
2-58 exemption under Section 11.13(c) or (d) or 11.132 [~~for an~~
2-59 ~~individual 65 years of age or older or a residence homestead~~
2-60 ~~exemption for a disabled individual~~] applicable to a property on
2-61 January 1 of a year terminated during the year and if the owner
2-62 qualifies a different property for one of those residence homestead
2-63 exemptions during the same year, the tax due against the former
2-64 residence homestead is calculated by:

2-65 (1) subtracting:

2-66 (A) the amount of the taxes that otherwise would
2-67 be imposed on the former residence homestead for the entire year had
2-68 the individual qualified for the residence homestead exemption for
2-69 the entire year; from

3-1 (B) the amount of the taxes that otherwise would
 3-2 be imposed on the former residence homestead for the entire year had
 3-3 the individual not qualified for the residence homestead exemption
 3-4 during the year;

3-5 (2) multiplying the remainder determined under
 3-6 Subdivision (1) by a fraction, the denominator of which is 365 and
 3-7 the numerator of which is the number of days that elapsed after the
 3-8 date the exemption terminated; and

3-9 (3) adding the product determined under Subdivision
 3-10 (2) and the amount described by Subdivision (1)(A).

3-11 SECTION 1.06. Chapter 26, Tax Code, is amended by adding
 3-12 Section 26.1127 to read as follows:

3-13 Sec. 26.1127. CALCULATION OF TAXES ON DONATED RESIDENCE
 3-14 HOMESTEAD OF DISABLED VETERAN OR SURVIVING SPOUSE OF DISABLED
 3-15 VETERAN. (a) Except as provided by Section 26.10(b), if at any
 3-16 time during a tax year property is owned by an individual who
 3-17 qualifies for an exemption under Section 11.132, the amount of the
 3-18 tax due on the property for the tax year is calculated as if the
 3-19 individual qualified for the exemption on January 1 and continued
 3-20 to qualify for the exemption for the remainder of the tax year.

3-21 (b) If an individual qualifies for an exemption under
 3-22 Section 11.132 with respect to the property after the amount of the
 3-23 tax due on the property is calculated and the effect of the
 3-24 qualification is to reduce the amount of the tax due on the
 3-25 property, the assessor for each taxing unit shall recalculate the
 3-26 amount of the tax due on the property and correct the tax roll. If
 3-27 the tax bill has been mailed and the tax on the property has not been
 3-28 paid, the assessor shall mail a corrected tax bill to the individual
 3-29 in whose name the property is listed on the tax roll or to the
 3-30 individual's authorized agent. If the tax on the property has been
 3-31 paid, the tax collector for the taxing unit shall refund to the
 3-32 individual who paid the tax the amount by which the payment exceeded
 3-33 the tax due.

3-34 SECTION 1.07. Section 31.031(a), Tax Code, is amended to
 3-35 read as follows:

3-36 (a) This section applies only to:

3-37 (1) an individual who is:
 3-38 (A) disabled or at least 65 years of age; and
 3-39 (B) qualified for an exemption under Section
 3-40 11.13(c); or

3-41 (2) an individual who is:
 3-42 (A) a disabled veteran or the unmarried surviving
 3-43 spouse of a disabled veteran; and
 3-44 (B) qualified for an exemption under Section
 3-45 11.132 or 11.22.

3-46 SECTION 1.08. This article applies only to ad valorem taxes
 3-47 imposed for an ad valorem tax year that begins on or after the
 3-48 effective date of this article.

3-49 SECTION 1.09. This article takes effect January 1, 2014,
 3-50 but only if the constitutional amendment proposed by the 83rd
 3-51 Legislature, Regular Session, 2013, authorizing the legislature to
 3-52 provide for an exemption from ad valorem taxation of part of the
 3-53 market value of the residence homestead of a partially disabled
 3-54 veteran or the surviving spouse of a partially disabled veteran if
 3-55 the residence homestead was donated to the disabled veteran by a
 3-56 charitable organization is approved by the voters. If that
 3-57 amendment is not approved by the voters, this article has no effect.

3-58 ARTICLE 2. EXEMPTIONS FOR CERTAIN SPOUSES OF DISABLED VETERANS

3-59 SECTION 2.01. Section 11.26(i), Tax Code, is amended to
 3-60 read as follows:

3-61 (i) If an individual who qualifies for the exemption
 3-62 provided by Section 11.13(c) [~~for an individual 65 years of age or~~
 3-63 ~~older~~] dies, the surviving spouse of the individual is entitled to
 3-64 the limitation applicable to the residence homestead of the
 3-65 individual if:

3-66 (1) the surviving spouse is 55 years of age or older
 3-67 when the individual dies; and

3-68 (2) the residence homestead of the individual:

3-69 (A) is the residence homestead of the surviving

4-1 spouse on the date that the individual dies; and
4-2 (B) remains the residence homestead of the
4-3 surviving spouse.

4-4 SECTION 2.02. This article applies only to an ad valorem tax
4-5 year that begins on or after the effective date of this article.

4-6 SECTION 2.03. This article takes effect January 1, 2014,
4-7 but only if the constitutional amendment proposed by the 83rd
4-8 Legislature, Regular Session, 2013, allowing the surviving spouse
4-9 of a person who is disabled to receive a limitation on school
4-10 district ad valorem taxes on the person's residence homestead if
4-11 the spouse is 55 years of age or older at the time of the person's
4-12 death is approved by the voters. If that constitutional amendment
4-13 is not approved by the voters, this article has no effect.

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