

By: Raymond

H.J.R. No. 126

A JOINT RESOLUTION

1 proposing a constitutional amendment to authorize the legislature
2 to limit the maximum appraised value for ad valorem tax purposes of
3 real property owned or leased by a small business and used for
4 business purposes to 110 percent or more of the appraised value of
5 the property for the preceding tax year.

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

7 SECTION 1. Section 1, Article VIII, Texas Constitution, is
8 amended by adding Subsection (k) to read as follows:

9 (k) This section applies only to real property that is owned
10 or leased by a business entity that had less than \$1 million in
11 gross receipts in its most recent fiscal year and is used for
12 business purposes by the business entity. Notwithstanding
13 Subsections (a) and (b) of this section, the Legislature by general
14 law may limit the maximum appraised value of such property for ad
15 valorem tax purposes in a tax year to the lesser of the most recent
16 market value of the property as determined by the appraisal entity
17 or 110 percent, or a greater percentage, of the appraised value of
18 the property for the preceding tax year. A limitation on appraised
19 values authorized by this subsection:

20 (1) takes effect as to real property described by this
21 subsection on the later of the effective date of the law imposing
22 the limitation or January 1 of the tax year following the first tax
23 year in which the owner or lessee of the property owns or leases the
24 property on January 1, meets the limitation on annual gross

1 receipts prescribed by this subsection, and uses the property for
2 business purposes; and

3 (2) expires on January 1 of the tax year following the
4 first tax year in which the owner or lessee of the property ceases
5 to own or lease the property, meet the limitation on annual gross
6 receipts prescribed by this subsection, or use the property for
7 business purposes.

8 SECTION 2. This proposed constitutional amendment shall be
9 submitted to the voters at an election to be held November 5, 2013.
10 The ballot shall be printed to permit voting for or against the
11 proposition: "The constitutional amendment to authorize the
12 legislature to limit the maximum appraised value for ad valorem tax
13 purposes of real property owned or leased by a small business and
14 used for business purposes to 110 percent or more of the appraised
15 value of the property for the preceding tax year."