

**House Bill 97**  
Senate Amendments  
Section-by-Section Analysis

HOUSE VERSION

ARTICLE 1. EXEMPTIONS FOR CERTAIN PARTIALLY  
DISABLED VETERANS

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

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

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

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

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

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

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

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

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

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~~No equivalent provision.~~ [Heading deleted by FA1(1)]

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(2) the property:

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

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

(d) If a surviving spouse who qualifies for an exemption under Subsection (c) subsequently qualifies a different property as the surviving spouse's residence homestead, the surviving spouse is entitled to an exemption from taxation of the subsequently qualified residence homestead in an amount equal to the dollar amount of the exemption from taxation of the former residence homestead under Subsection (c) in the last year in which the surviving spouse received an exemption under that subsection for that residence homestead if the surviving spouse has not remarried since the death of the disabled veteran. The surviving spouse is entitled to receive from the chief appraiser of the appraisal district in which the former residence homestead was located a written certificate providing the information necessary to determine the amount of the exemption to which the surviving spouse is entitled on the subsequently qualified residence homestead.

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

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

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

(c) An exemption provided by Section 11.13, 11.131, 11.132, 11.17, 11.18, 11.182, 11.1827, 11.183, 11.19, 11.20, 11.21, 11.22, 11.23(h), (j), or (j-1), 11.231, 11.254, 11.29, 11.30, or

SECTION 1.02. Same as House version.

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11.31, once allowed, need not be claimed in subsequent years, and except as otherwise provided by Subsection (e), the exemption applies to the property until it changes ownership or the person's qualification for the exemption changes. However, the chief appraiser may require a person allowed one of the exemptions in a prior year to file a new application to confirm the person's current qualification for the exemption by delivering a written notice that a new application is required, accompanied by an appropriate application form, to the person previously allowed the exemption.

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

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

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

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

(b) If the appraisal roll shows that a residence homestead exemption under Section 11.13(c) or (d) or 11.132 [~~for an individual 65 years of age or older or a residence homestead exemption for a disabled individual~~] applicable to a property on January 1 of a year terminated during the year and if the owner qualifies a different property for one of those residence

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homestead exemptions during the same year, the tax due against the former residence homestead is calculated by:

(1) subtracting:

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

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

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

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

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

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

(b) If an individual qualifies for an exemption under Section 11.132 with respect to the property after the amount of the tax due on the property is calculated and the effect of the

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qualification is to reduce the amount of the tax due on the property, the assessor for each taxing unit shall recalculate the amount of the tax due on the property and correct the tax roll. If the tax bill has been mailed and the tax on the property has not been paid, the assessor shall mail a corrected tax bill to the individual in whose name the property is listed on the tax roll or to the individual's authorized agent. If the tax on the property has been paid, the tax collector for the taxing unit shall refund to the individual who paid the tax the amount by which the payment exceeded the tax due.

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

(a) This section applies only to:

(1) an individual who is:

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

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

(2) an individual who is:

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

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

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

SECTION 1.09. This **article** takes effect January 1, 2014, but only if the constitutional amendment proposed by the 83rd Legislature, Regular Session, 2013, authorizing the legislature to provide for an exemption from ad valorem taxation of part of the market value of the residence homestead of a partially disabled veteran or the surviving spouse of a partially disabled veteran if the residence homestead was donated to the

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SECTION 1.07. Same as House version.

SECTION 1.08. This **Act** applies only to ad valorem taxes imposed for an ad valorem tax year that begins on or after the effective date of this **Act**. [FA1(2)-(3)]

SECTION 1.09. This **Act** takes effect January 1, 2014, but only if the constitutional amendment proposed by the 83rd Legislature, Regular Session, 2013, authorizing the legislature to provide for an exemption from ad valorem taxation of part of the market value of the residence homestead of a partially disabled veteran or the surviving spouse of a partially disabled veteran if the residence homestead was donated to the

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disabled veteran by a charitable organization is approved by the voters. If that amendment is not approved by the voters, this **article** has no effect.

ARTICLE 2. EXEMPTIONS FOR CERTAIN SPOUSES OF DISABLED VETERANS

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

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

- (1) the surviving spouse is 55 years of age or older when the individual dies; and
- (2) the residence homestead of the individual:
  - (A) is the residence homestead of the surviving spouse on the date that the individual dies; and
  - (B) remains the residence homestead of the surviving spouse.

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

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

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disabled veteran by a charitable organization is approved by the voters. If that amendment is not approved by the voters, this **Act** has no effect. [FA1(4)-(5)]

**No equivalent provision.** [Deleted by FA1(6)]

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**No equivalent provision.** [Deleted by FA1(6)]

**No equivalent provision.** [Deleted by FA1(6)]

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