

By: Schofield

H.J.R. No. 135

A JOINT RESOLUTION

1 proposing a constitutional amendment providing for an exemption
2 from ad valorem taxation for public school purposes of a
3 percentage, rather than a dollar amount, of the market value of a
4 residence homestead and providing for a reduction of the limitation
5 on the total amount of ad valorem taxes that may be imposed for
6 those purposes on the homestead of an elderly or disabled person to
7 reflect any increased exemption amount.

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

9 SECTION 1. Sections 1-b(c) and (d), Article VIII, Texas
10 Constitution, are amended to read as follows:

11 (c) Seven and one-half percent [~~Fifteen Thousand Dollars~~
12 ~~(\$15,000)~~] of the market value of the residence homestead of a
13 married or unmarried adult, including one living alone, is exempt
14 from ad valorem taxation for general elementary and secondary
15 public school purposes. The legislature by general law may provide
16 that all or part of the exemption does not apply to a district or
17 political subdivision that imposes ad valorem taxes for public
18 education purposes but is not the principal school district
19 providing general elementary and secondary public education
20 throughout its territory. In addition to this exemption, the
21 legislature by general law may exempt an amount not to exceed [~~Ten~~
22 ~~Thousand Dollars~~ (~~-\$10,000~~)] of the market value of the residence
23 homestead of a person who is disabled as defined in Subsection (b)
24 of this section and of a person [~~sixty-five~~ (~~-~~)65(~~+~~)] years of age or

1 older from ad valorem taxation for general elementary and secondary
2 public school purposes. The legislature by general law may base the
3 amount of and condition eligibility for the additional exemption
4 authorized by this subsection for disabled persons and for persons
5 ~~[sixty-five (-)]65(+)]~~ years of age or older on economic need. An
6 eligible disabled person who is ~~[sixty-five (-)]65(+)]~~ years of age or
7 older may not receive both exemptions from a school district but may
8 choose either. An eligible person is entitled to receive both the
9 exemption required by this subsection for all residence homesteads
10 and any exemption adopted pursuant to Subsection (b) of this
11 section, but the legislature shall provide by general law whether
12 an eligible disabled or elderly person may receive both the
13 additional exemption for the elderly and disabled authorized by
14 this subsection and any exemption for the elderly or disabled
15 adopted pursuant to Subsection (b) of this section. Where ad
16 valorem tax has previously been pledged for the payment of debt, the
17 taxing officers of a school district may continue to levy and
18 collect the tax against the value of homesteads exempted under this
19 subsection until the debt is discharged if the cessation of the levy
20 would impair the obligation of the contract by which the debt was
21 created. The legislature shall provide for formulas to protect
22 school districts against all or part of the revenue loss incurred by
23 the implementation of this subsection, Subsection (d) of this
24 section, and Section 1-d-1 of this article ~~[Article VIII, Sections~~
25 ~~1-b(c), 1-b(d), and 1-d-1, of this constitution]~~. The legislature
26 by general law may define residence homestead for purposes of this
27 section.

1 (d) Except as otherwise provided by this subsection, if a
2 person receives a residence homestead exemption prescribed by
3 Subsection (c) of this section for homesteads of persons who are
4 [~~sixty-five~~ () 65 ()] years of age or older or who are disabled, the
5 total amount of ad valorem taxes imposed on that homestead for
6 general elementary and secondary public school purposes may not be
7 increased while it remains the residence homestead of that person
8 or that person's spouse who receives the exemption. If a person
9 [~~sixty-five~~ () 65 ()] years of age or older dies in a year in which
10 the person received the exemption, the total amount of ad valorem
11 taxes imposed on the homestead for general elementary and secondary
12 public school purposes may not be increased while it remains the
13 residence homestead of that person's surviving spouse if the spouse
14 is [~~fifty-five~~ () 55 ()] years of age or older at the time of the
15 person's death, subject to any exceptions provided by general law.
16 The legislature, by general law, may provide for the transfer of all
17 or a proportionate amount of a limitation provided by this
18 subsection for a person who qualifies for the limitation and
19 establishes a different residence homestead. However, taxes
20 otherwise limited by this subsection may be increased to the extent
21 the value of the homestead is increased by improvements other than
22 repairs or improvements made to comply with governmental
23 requirements and except as may be consistent with the transfer of a
24 limitation under this subsection. For a residence homestead subject
25 to the limitation provided by this subsection in the 1996 tax year
26 or an earlier tax year, the legislature shall provide for a
27 reduction in the amount of the limitation for the 1997 tax year and

1 subsequent tax years in an amount equal to \$10,000 multiplied by the
2 1997 tax rate for general elementary and secondary public school
3 purposes applicable to the residence homestead. For a residence
4 homestead subject to the limitation provided by this subsection in
5 the 2015 tax year or an earlier tax year that has a market value in
6 the 2016 tax year of more than \$200,000, the legislature shall
7 provide for a reduction in the amount of the limitation for the 2016
8 tax year and subsequent tax years in an amount equal to the amount
9 computed by subtracting \$15,000 from an amount equal to 7.5 percent
10 of the market value of the homestead in the 2016 tax year and
11 multiplying that amount by the 2016 tax rate for general elementary
12 and secondary public school purposes applicable to the homestead.

13 SECTION 2. The following temporary provision is added to
14 the Texas Constitution:

15 TEMPORARY PROVISION. (a) This temporary provision applies
16 to the constitutional amendment proposed by the 84th Legislature,
17 Regular Session, 2015, providing for an exemption from ad valorem
18 taxation for public school purposes of a percentage, rather than a
19 dollar amount, of the market value of a residence homestead and
20 providing for a reduction of the limitation on the total amount of
21 ad valorem taxes that may be imposed for those purposes on the
22 homestead of an elderly or disabled person to reflect any increased
23 exemption amount.

24 (b) The amendment to Sections 1-b(c) and (d), Article VIII,
25 of this constitution takes effect January 1, 2016, and applies only
26 to a tax year beginning on or after that date.

27 (c) This temporary provision expires January 1, 2017.

1 SECTION 3. This proposed constitutional amendment shall be
2 submitted to the voters at an election to be held November 3, 2015.
3 The ballot shall be printed to permit voting for or against the
4 proposition: "The constitutional amendment providing for an
5 exemption from ad valorem taxation for public school purposes of
6 7.5 percent, rather than \$15,000, of the market value of a residence
7 homestead and providing for a reduction of the limitation on the
8 total amount of ad valorem taxes that may be imposed for those
9 purposes on the homestead of an elderly or disabled person to
10 reflect any increased exemption amount."