

SENATE JOINT RESOLUTION

1  
2 proposing a constitutional amendment increasing the amount of the  
3 residence homestead exemption from ad valorem taxation for public  
4 school purposes and providing for a reduction of the limitation on  
5 the total amount of ad valorem taxes that may be imposed for those  
6 purposes on the homestead of an elderly or disabled person to  
7 reflect the increased exemption amount, authorizing the  
8 legislature to prohibit a political subdivision that has adopted an  
9 optional residence homestead exemption from ad valorem taxation  
10 from reducing the amount of or repealing the exemption, and  
11 prohibiting the enactment of a law that imposes a transfer tax on a  
12 transaction that conveys fee simple title to real property.

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

14 SECTION 1. Sections ~~1-b~~(c), (d), and (e), Article VIII,  
15 Texas Constitution, are amended to read as follows:

16 (c) The amount of \$25,000 [~~Fifteen Thousand Dollars~~  
17 ~~(\$15,000)~~] of the market value of the residence homestead of a  
18 married or unmarried adult, including one living alone, is exempt  
19 from ad valorem taxation for general elementary and secondary  
20 public school purposes. The legislature by general law may provide  
21 that all or part of the exemption does not apply to a district or  
22 political subdivision that imposes ad valorem taxes for public  
23 education purposes but is not the principal school district  
24 providing general elementary and secondary public education

1 throughout its territory. In addition to this exemption, the  
2 legislature by general law may exempt an amount not to exceed [~~Ten~~  
3 ~~Thousand Dollars~~ ( ) \$10,000(+)] of the market value of the residence  
4 homestead of a person who is disabled as defined in Subsection (b)  
5 of this section and of a person [~~sixty-five~~ ( ) 65(+)] years of age or  
6 older from ad valorem taxation for general elementary and secondary  
7 public school purposes. The legislature by general law may base the  
8 amount of and condition eligibility for the additional exemption  
9 authorized by this subsection for disabled persons and for persons  
10 [~~sixty-five~~ ( ) 65(+)] years of age or older on economic need. An  
11 eligible disabled person who is [~~sixty-five~~ ( ) 65(+)] years of age or  
12 older may not receive both exemptions from a school district but may  
13 choose either. An eligible person is entitled to receive both the  
14 exemption required by this subsection for all residence homesteads  
15 and any exemption adopted pursuant to Subsection (b) of this  
16 section, but the legislature shall provide by general law whether  
17 an eligible disabled or elderly person may receive both the  
18 additional exemption for the elderly and disabled authorized by  
19 this subsection and any exemption for the elderly or disabled  
20 adopted pursuant to Subsection (b) of this section. Where ad  
21 valorem tax has previously been pledged for the payment of debt, the  
22 taxing officers of a school district may continue to levy and  
23 collect the tax against the value of homesteads exempted under this  
24 subsection until the debt is discharged if the cessation of the levy  
25 would impair the obligation of the contract by which the debt was  
26 created. The legislature shall provide for formulas to protect  
27 school districts against all or part of the revenue loss incurred by

1 the implementation of this subsection, Subsection (d) of this  
2 section, and Section 1-d-1 of this article [~~Article VIII, Sections~~  
3 ~~1-b(c), 1-b(d), and 1-d-1, of this constitution~~]. The legislature  
4 by general law may define residence homestead for purposes of this  
5 section.

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

1 requirements and except as may be consistent with the transfer of a  
2 limitation under this subsection. For a residence homestead  
3 subject to the limitation provided by this subsection in the 1996  
4 tax year or an earlier tax year, the legislature shall provide for a  
5 reduction in the amount of the limitation for the 1997 tax year and  
6 subsequent tax years in an amount equal to \$10,000 multiplied by the  
7 1997 tax rate for general elementary and secondary public school  
8 purposes applicable to the residence homestead. For a residence  
9 homestead subject to the limitation provided by this subsection in  
10 the 2014 tax year or an earlier tax year, the legislature shall  
11 provide for a reduction in the amount of the limitation for the 2015  
12 tax year and subsequent tax years in an amount equal to \$10,000  
13 multiplied by the 2015 tax rate for general elementary and  
14 secondary public school purposes applicable to the residence  
15 homestead.

16 (e) The governing body of a political subdivision, other  
17 than a county education district, may exempt from ad valorem  
18 taxation a percentage of the market value of the residence  
19 homestead of a married or unmarried adult, including one living  
20 alone. In the manner provided by law, the voters of a county  
21 education district at an election held for that purpose may exempt  
22 from ad valorem taxation a percentage of the market value of the  
23 residence homestead of a married or unmarried adult, including one  
24 living alone. The percentage may not exceed twenty percent.  
25 However, the amount of an exemption authorized pursuant to this  
26 subsection may not be less than [~~Five Thousand Dollars~~] \$5,000 [✓]  
27 unless the legislature by general law prescribes other monetary

1 restrictions on the amount of the exemption. The legislature by  
2 general law may prohibit the governing body of a political  
3 subdivision that adopts an exemption under this subsection from  
4 reducing the amount of or repealing the exemption. An eligible  
5 adult is entitled to receive other applicable exemptions provided  
6 by law. Where ad valorem tax has previously been pledged for the  
7 payment of debt, the governing body of a political subdivision may  
8 continue to levy and collect the tax against the value of the  
9 homesteads exempted under this subsection until the debt is  
10 discharged if the cessation of the levy would impair the obligation  
11 of the contract by which the debt was created. The legislature by  
12 general law may prescribe procedures for the administration of  
13 residence homestead exemptions.

14 SECTION 2. Article VIII, Texas Constitution, is amended by  
15 adding Section 29 to read as follows:

16 Sec. 29. (a) After January 1, 2016, no law may be enacted  
17 that imposes a transfer tax on a transaction that conveys fee simple  
18 title to real property.

19 (b) This section does not prohibit:

20 (1) the imposition of a general business tax measured  
21 by business activity;

22 (2) the imposition of a tax on the production of  
23 minerals;

24 (3) the imposition of a tax on the issuance of title  
25 insurance; or

26 (4) the change of a rate of a tax in existence on  
27 January 1, 2016.

1 SECTION 3. The following temporary provision is added to  
2 the Texas Constitution:

3 TEMPORARY PROVISION. (a) This temporary provision applies  
4 to the constitutional amendment proposed by S.J.R. 1, 84th  
5 Legislature, Regular Session, 2015.

6 (b) The amendments to Sections 1-b(c), (d), and (e), Article  
7 VIII, of this constitution take effect for the tax year beginning  
8 January 1, 2015.

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

10 SECTION 4. This proposed constitutional amendment shall be  
11 submitted to the voters at an election to be held November 3, 2015.  
12 The ballot shall be printed to permit voting for or against the  
13 proposition: "The constitutional amendment increasing the amount  
14 of the residence homestead exemption from ad valorem taxation for  
15 public school purposes from \$15,000 to \$25,000, providing for a  
16 reduction of the limitation on the total amount of ad valorem taxes  
17 that may be imposed for those purposes on the homestead of an  
18 elderly or disabled person to reflect the increased exemption  
19 amount, authorizing the legislature to prohibit a political  
20 subdivision that has adopted an optional residence homestead  
21 exemption from ad valorem taxation from reducing the amount of or  
22 repealing the exemption, and prohibiting the enactment of a law  
23 that imposes a transfer tax on a transaction that conveys fee simple  
24 title to real property."

S.J.R. No. 1

---

President of the Senate

---

Speaker of the House

I hereby certify that S.J.R. No. 1 was adopted by the Senate on March 25, 2015, by the following vote: Yeas 23, Nays 8; and that the Senate concurred in House amendments on May 29, 2015, by the following vote: Yeas 25, Nays 6.

---

Secretary of the Senate

I hereby certify that S.J.R. No. 1 was adopted by the House, with amendments, on May 24, 2015, by the following vote: Yeas 138, Nays 0, one present not voting.

---

Chief Clerk of the House