

By: Watson

S.J.R. No. 20

SENATE JOINT RESOLUTION

proposing a constitutional amendment authorizing the governing body of a political subdivision other than a school district to adopt an exemption from ad valorem taxation of a portion, expressed as a dollar amount, of the market value of an individual's residence homestead.

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

SECTION 1. Section 1-b, Article VIII, Texas Constitution, is amended by adding Subsections (n), (o), (p), and (q) to read as follows:

(n) The governing body of a political subdivision other than a school district by official action may exempt from ad valorem taxation a portion of the market value of the residence homestead of an individual. The amount of the exemption is \$5,000 unless a larger amount is specified by the governing body authorizing the exemption. Where ad valorem tax has previously been pledged for the payment of debt, the governing body may continue to levy and collect the tax against the value of the homesteads exempted under this subsection until the debt is discharged if the cessation of the levy would impair the obligation of the contract by which the debt was created.

(o) This subsection applies only to a political subdivision to which Subsection (n) of this section applies the governing body of which has not adopted an exemption under Subsection (e) of this

section. An individual is entitled to an exemption from ad valorem taxation by the political subdivision under Subsection (n) of this section as if the exemption were adopted by the governing body under that subsection unless the governing body by official action elects not to adopt an exemption under that subsection. The amount of the exemption is \$5,000 unless the governing body authorizes an exemption in a larger amount as provided by Subsection (n) of this section.

(p) The legislature by general law may prohibit the governing body of a political subdivision that adopts an exemption under Subsection (e) or (n) from reducing the amount of or repealing the exemption.

(q) If the legislature by general law allows the governing body of a political subdivision to repeal an exemption under Subsection (e) of this section and the governing body of a political subdivision has adopted an exemption under Subsection (n) of this section, an individual who would have been entitled to an exemption from ad valorem taxation by the political subdivision under Subsection (e) of this section had the governing body not ceased granting an exemption under that subsection is entitled to continue to receive an exemption under that subsection in lieu of the exemption under Subsection (n) of this section if the individual otherwise qualifies for the exemption under Subsection (e) of this section and the amount of the exemption under that subsection as calculated under this subsection exceeds the amount of the exemption under Subsection (n) of this section. The exemption applies only to property for which the individual received an

exemption under Subsection (e) of this section in the last tax year in which the governing body granted an exemption under that subsection. Notwithstanding Subsection (e) of this section, the amount of the exemption is the dollar amount of the exemption that the individual received under that subsection in the last tax year in which the governing body granted an exemption under that subsection.

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

TEMPORARY PROVISION. (a) This temporary provision applies to the constitutional amendment proposed by the 84th Legislature, Regular Session, 2015, authorizing the governing body of a political subdivision other than a school district to adopt an exemption from ad valorem taxation of a portion, expressed as a dollar amount, of the market value of an individual's residence homestead.

(b) The amendments to Section 1-b, Article VIII, of this constitution take effect beginning with the tax year that begins January 1, 2016.

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

SECTION 3. This proposed constitutional amendment shall be submitted to the voters at an election to be held November 3, 2015. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment authorizing the governing body of a political subdivision other than a school district to adopt an exemption from ad valorem taxation of a portion, expressed as a dollar amount, of the market value of an

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1 individual's residence homestead."