

By: Menéndez

S.J.R. No. 46

A JOINT RESOLUTION

1 proposing a constitutional amendment increasing the amount of the  
2 residence homestead exemption from ad valorem taxation for public  
3 school purposes, providing for the increase of the exemption amount  
4 in subsequent years to reflect inflation in homestead values, and  
5 providing for a reduction of the limitation on the total amount of  
6 ad valorem taxes that may be imposed for those purposes on the  
7 homestead of a disabled or elderly person to reflect the increased  
8 exemption amounts.

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

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

12 (c) A portion [~~Fifteen Thousand Dollars (\$15,000)~~] of the  
13 market value of the residence homestead of a married or unmarried  
14 adult, including one living alone, is exempt from ad valorem  
15 taxation for general elementary and secondary public school  
16 purposes. For the 2016 tax year, the amount of the exemption is  
17 \$35,000. For each subsequent tax year, the amount of the exemption  
18 shall be calculated by the Comptroller of Public Accounts by  
19 multiplying the amount of the exemption under this subsection for  
20 the preceding tax year by the residence homestead inflation rate,  
21 as defined by general law, and adding that amount to the amount of  
22 that exemption for the preceding tax year. Each appraisal office  
23 shall use the amount of the exemption as calculated by the  
24 comptroller to determine the assessed value of residence homesteads

1 appraised by that appraisal office for ad valorem taxation for  
2 general elementary and secondary public school purposes. The  
3 legislature by general law may provide that all or part of the  
4 exemption does not apply to a district or political subdivision  
5 that imposes ad valorem taxes for public education purposes but is  
6 not the principal school district providing general elementary and  
7 secondary public education throughout its territory. In addition  
8 to this exemption, the legislature by general law may exempt an  
9 amount not to exceed [~~Ten Thousand Dollars~~] \$10,000[+] of the  
10 market value of the residence homestead of a person who is disabled  
11 as defined in Subsection (b) of this section and of a person  
12 [~~sixty-five~~] 65[+] years of age or older from ad valorem taxation  
13 for general elementary and secondary public school purposes. The  
14 legislature by general law may base the amount of and condition  
15 eligibility for the additional exemption authorized by this  
16 subsection for disabled persons and for persons [~~sixty-five~~] 65[+]  
17 years of age or older on economic need. An eligible disabled person  
18 who is [~~sixty-five~~] 65[+] years of age or older may not receive  
19 both exemptions from a school district but may choose either. An  
20 eligible person is entitled to receive both the exemption required  
21 by this subsection for all residence homesteads and any exemption  
22 adopted pursuant to Subsection (b) of this section, but the  
23 legislature shall provide by general law whether an eligible  
24 disabled or elderly person may receive both the additional  
25 exemption for the elderly and disabled authorized by this  
26 subsection and any exemption for the elderly or disabled adopted  
27 pursuant to Subsection (b) of this section. Where ad valorem tax

1 has previously been pledged for the payment of debt, the taxing  
2 officers of a school district may continue to levy and collect the  
3 tax against the value of homesteads exempted under this subsection  
4 until the debt is discharged if the cessation of the levy would  
5 impair the obligation of the contract by which the debt was created.  
6 The legislature shall provide for formulas to protect school  
7 districts against all or part of the revenue loss incurred by the  
8 implementation of this subsection, Subsection (d) of this section,  
9 and Section 1-d-1 of this article [~~Article VIII, Sections 1-b(c),~~  
10 ~~1-b(d), and 1-d-1, of this constitution~~]. The legislature by  
11 general law may define residence homestead for purposes of this  
12 section.

13 (d) Except as otherwise provided by this subsection, if a  
14 person receives a residence homestead exemption prescribed by  
15 Subsection (c) of this section for homesteads of persons who are  
16 [~~sixty-five ( )65( )~~] years of age or older or who are disabled, the  
17 total amount of ad valorem taxes imposed on that homestead for  
18 general elementary and secondary public school purposes may not be  
19 increased while it remains the residence homestead of that person  
20 or that person's spouse who receives the exemption. If a person  
21 [~~sixty-five ( )65( )~~] years of age or older dies in a year in which  
22 the person received the exemption, the total amount of ad valorem  
23 taxes imposed on the homestead for general elementary and secondary  
24 public school purposes may not be increased while it remains the  
25 residence homestead of that person's surviving spouse if the spouse  
26 is [~~fifty-five ( )55( )~~] years of age or older at the time of the  
27 person's death, subject to any exceptions provided by general law.

1 The legislature, by general law, may provide for the transfer of all  
2 or a proportionate amount of a limitation provided by this  
3 subsection for a person who qualifies for the limitation and  
4 establishes a different residence homestead. However, taxes  
5 otherwise limited by this subsection may be increased to the extent  
6 the value of the homestead is increased by improvements other than  
7 repairs or improvements made to comply with governmental  
8 requirements and except as may be consistent with the transfer of a  
9 limitation under this subsection. For a residence homestead  
10 subject to the limitation provided by this subsection in the 1996  
11 tax year or an earlier tax year, the legislature shall provide for a  
12 reduction in the amount of the limitation for the 1997 tax year and  
13 subsequent tax years in an amount equal to \$10,000 multiplied by the  
14 1997 tax rate for general elementary and secondary public school  
15 purposes applicable to the residence homestead. For a residence  
16 homestead subject to the limitation provided by this subsection in  
17 the 2015 tax year or an earlier tax year, the legislature shall  
18 provide for a reduction in the amount of the limitation for the 2016  
19 tax year and subsequent tax years in an amount equal to \$20,000  
20 multiplied by the 2016 tax rate for general elementary and  
21 secondary public school purposes applicable to the residence  
22 homestead. For a residence homestead subject to the limitation  
23 provided by this subsection in the tax year preceding a tax year in  
24 which the amount of the exemption from ad valorem taxation for  
25 general elementary and secondary public school purposes of a  
26 portion of the market value of the residence homestead of a married  
27 or unmarried adult provided by Subsection (c) of this section is

1 adjusted for inflation in residence homestead values, the  
2 legislature shall provide for a reduction in the amount of the  
3 limitation for the tax year in which the amount of the exemption is  
4 adjusted and subsequent tax years in an amount equal to the amount  
5 by which the amount of the exemption is increased multiplied by the  
6 tax rate for general elementary and secondary public school  
7 purposes applicable to the residence homestead for the tax year in  
8 which the amount of the exemption is increased.

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

11 TEMPORARY PROVISION. (a) This temporary provision applies to  
12 the constitutional amendment proposed by the 84th Legislature,  
13 Regular Session, 2015, increasing the amount of the residence  
14 homestead exemption from ad valorem taxation for public school  
15 purposes, providing for the increase of the exemption amount in  
16 subsequent years to reflect inflation in homestead values, and  
17 providing for a reduction of the limitation on the total amount of  
18 ad valorem taxes that may be imposed for those purposes on the  
19 homestead of a disabled or elderly person to reflect the increased  
20 exemption amounts.

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

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

25 SECTION 3. This proposed constitutional amendment shall be  
26 submitted to the voters at an election to be held November 3, 2015.  
27 The ballot shall be printed to permit voting for or against the

1 proposition: "The constitutional amendment increasing the amount  
2 of the residence homestead exemption from ad valorem taxation for  
3 public school purposes from \$15,000 to \$35,000, providing for the  
4 increase of the exemption amount in subsequent years to reflect  
5 inflation in homestead values, and providing for a reduction of the  
6 limitation on the total amount of ad valorem taxes that may be  
7 imposed for those purposes on the homestead of a disabled or elderly  
8 person to reflect the increased exemption amounts."