

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

April 20, 2015

TO: Honorable Dennis Bonnen, Chair, House Committee on Ways & Means

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB1980 by Thompson, Senfronia (Relating to the authority of the governing body of certain taxing units to adopt a local option residence homestead exemption from ad valorem taxation of a portion, expressed as a dollar amount, of the appraised value of an individual's residence homestead.), **As Introduced**

The fiscal impact of permitting the governing body of a taxing unit other than a school district to adopt a residence homestead property tax exemption, expressed as a dollar amount of the property's appraised value, is discussed in the fiscal note for the enabling resolution, HJR 96.

The bill would amend Section 11.13 of the Tax Code, regarding taxable property, exemptions, and homestead exemptions, to permit the governing body of a taxing unit other than a school district to adopt a residence homestead property tax exemption, expressed as a dollar amount of the property's appraised value. The governing body would be required to adopt the exemption before July 1st of the tax year in which the exemption applies. The minimum amount of the proposed new homestead exemptions would be \$5,000 and the exemption would be in addition to any other residence homestead exemption for which the property is qualified.

The proposed constitutional amendment authorizing the governing body of local taxing units other than school districts to adopt the proposed new residence homestead exemption is self-implementing; consequently, any associated cost is shown in the fiscal note for the constitutional amendment (HJR 96).

The bill would take effect January 1, 2016, contingent on approval by the voters of a constitutional amendment.

Local Government Impact

The fiscal impact of permitting the governing body of a taxing unit other than a school district to adopt a residence homestead property tax exemption, expressed as a dollar amount of the property's appraised value, is discussed in the fiscal note for the enabling resolution, HJR 96.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: UP, KK, SD, SJS