

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION
Revision 1

April 8, 2015

TO: Honorable Jane Nelson, Chair, Senate Committee on Finance

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **SB1154** by Hall (Relating to the deadline for filing an application for an exemption from ad valorem taxation of the residence homestead of a 100 percent or totally disabled veteran.), **As Introduced**

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would add new Section 11.4311 to the Tax Code, to require that a chief appraiser accept a late application for a residence homestead exemption of a 100 percent disabled veteran after the filing deadline if the application is filed not later than one year after the date on which the U.S. Department of Veterans Affairs approves the veteran's disability application. A disabled veteran is entitled to receive the exemption for any tax year for which the veteran is determined by the department to be eligible to receive 100 percent disability compensation due to a service-connected disability and a rating of 100 percent disabled or individual unemployability and for which the veteran is otherwise qualified for the exemption. If a late application is approved after the certification of the appraisal records, the collector for a taxing unit must deduct from the individual's tax bill the amount of tax imposed on the property for that year and any penalties and interest relating to the tax if the taxes have not been paid or issue a refund if any taxes, penalties, or interest have been paid.

Currently, a late residence homestead application may be submitted up to one year past the delinquency date. The bill allows an exemption on certain veterans' homesteads for tax years that the exemption would not otherwise apply. The timing of the U.S. Department of Veterans Affairs' approval of disability applications and the number of possible late applications is not known. There would be an insignificant cost to local taxing units and to the state through the operation of the school funding formula to the extent that exemptions would be granted for the tax years the disabled veteran received an approved application from the department after one year past the delinquency date for a tax year.

The bill would take effect September 1, 2015.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

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