

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

April 20, 2015

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB1843 by West (Relating to a local option exemption from ad valorem taxation by a county of a portion of the value of the residence homestead of a physician who provides health care services for which the physician agrees not to seek payment from any source, including the Medicaid program or otherwise from this state or the federal government, to indigent residents of the county.), **As Introduced**

The bill, in and of itself, would have no fiscal impact on the state. The associated constitutional amendment is self-enabling; consequently any fiscal impact is shown in the fiscal note for the corresponding (SJR 61) constitutional amendment.

The bill would amend Chapter 11 of the Tax Code, regarding taxable property and exemptions, to permit a county commissioners court to exempt from property taxation a percentage, not to exceed 50 percent, of the appraised value of the residence homestead of a licensed physician who provides health care services to indigent residents of the county for which the physician agrees not to seek payment from any source.

The county commissioners court would be required to specify the number of indigent county residents to whom a physician must provide health care services during a tax year to be eligible to receive the exemption. The county commissioners court would be permitted to express the required number of indigent county residents as a percentage of the physician's total practice. The bill would provide certain administrative procedures for the exemption, and the exemption would be in addition to any other property tax exemptions.

The bill, in and of itself, would have no fiscal impact on the state or units of local government. The associated constitutional amendment is self-enabling; consequently any fiscal impact is shown in the fiscal note for the corresponding (SJR 61) constitutional amendment.

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

Local Government Impact

The bill, in and of itself, would have no fiscal impact on units of local government. The associated constitutional amendment is self-enabling; consequently any fiscal impact is shown in the fiscal note for the corresponding (SJR 61) constitutional amendment.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: UP, KK, SD, SJS