

By: Schofield

H.J.R. No. 17

A JOINT RESOLUTION

1 proposing a constitutional amendment providing for an exemption
2 from ad valorem taxation for public school purposes of a dollar
3 amount or a percentage, whichever is greater, of the market value of
4 a residence homestead and providing for a reduction of the
5 limitation on the total amount of ad valorem taxes that may be
6 imposed for those purposes on the homestead of an elderly or
7 disabled person to reflect any increase in the exemption amount.

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

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

11 (c) The amount of \$25,000 of the market value of the
12 residence homestead of a married or unmarried adult, including one
13 living alone, or 13 percent of the market value of the residence
14 homestead, whichever is greater, is exempt from ad valorem taxation
15 for general elementary and secondary public school purposes. The
16 legislature by general law may provide that all or part of the
17 exemption does not apply to a district or political subdivision
18 that imposes ad valorem taxes for public education purposes but is
19 not the principal school district providing general elementary and
20 secondary public education throughout its territory. In addition
21 to this exemption, the legislature by general law may exempt an
22 amount not to exceed \$10,000 of the market value of the residence
23 homestead of a person who is disabled as defined in Subsection (b)
24 of this section and of a person 65 years of age or older from ad

1 valorem taxation for general elementary and secondary public school
2 purposes. The legislature by general law may base the amount of and
3 condition eligibility for the additional exemption authorized by
4 this subsection for disabled persons and for persons 65 years of age
5 or older on economic need. An eligible disabled person who is 65
6 years of age or older may not receive both exemptions from a school
7 district but may choose either. An eligible person is entitled to
8 receive both the exemption required by this subsection for all
9 residence homesteads and any exemption adopted pursuant to
10 Subsection (b) of this section, but the legislature shall provide
11 by general law whether an eligible disabled or elderly person may
12 receive both the additional exemption for the elderly and disabled
13 authorized by this subsection and any exemption for the elderly or
14 disabled adopted pursuant to Subsection (b) of this section. Where
15 ad valorem tax has previously been pledged for the payment of debt,
16 the taxing officers of a school district may continue to levy and
17 collect the tax against the value of homesteads exempted under this
18 subsection until the debt is discharged if the cessation of the levy
19 would impair the obligation of the contract by which the debt was
20 created. The legislature shall provide for formulas to protect
21 school districts against all or part of the revenue loss incurred by
22 the implementation of this subsection, Subsection (d) of this
23 section, and Section 1-d-1 of this article. The legislature by
24 general law may define residence homestead for purposes of this
25 section.

26 (d) Except as otherwise provided by this subsection, if a
27 person receives a residence homestead exemption prescribed by

1 Subsection (c) of this section for homesteads of persons who are 65
2 years of age or older or who are disabled, the total amount of ad
3 valorem taxes imposed on that homestead for general elementary and
4 secondary public school purposes may not be increased while it
5 remains the residence homestead of that person or that person's
6 spouse who receives the exemption. If a person 65 years of age or
7 older dies in a year in which the person received the exemption, the
8 total amount of ad valorem taxes imposed on the homestead for
9 general elementary and secondary public school purposes may not be
10 increased while it remains the residence homestead of that person's
11 surviving spouse if the spouse is 55 years of age or older at the
12 time of the person's death, subject to any exceptions provided by
13 general law. The legislature, by general law, may provide for the
14 transfer of all or a proportionate amount of a limitation provided
15 by this subsection for a person who qualifies for the limitation and
16 establishes a different residence homestead. However, taxes
17 otherwise limited by this subsection may be increased to the extent
18 the value of the homestead is increased by improvements other than
19 repairs or improvements made to comply with governmental
20 requirements and except as may be consistent with the transfer of a
21 limitation under this subsection. For a residence homestead
22 subject to the limitation provided by this subsection in the 1996
23 tax year or an earlier tax year, the legislature shall provide for a
24 reduction in the amount of the limitation for the 1997 tax year and
25 subsequent tax years in an amount equal to \$10,000 multiplied by the
26 1997 tax rate for general elementary and secondary public school
27 purposes applicable to the residence homestead. For a residence

1 homestead subject to the limitation provided by this subsection in
2 the 2014 tax year or an earlier tax year, the legislature shall
3 provide for a reduction in the amount of the limitation for the 2015
4 tax year and subsequent tax years in an amount equal to \$10,000
5 multiplied by the 2015 tax rate for general elementary and
6 secondary public school purposes applicable to the residence
7 homestead. For a residence homestead subject to the limitation
8 provided by this subsection in the 2017 tax year or an earlier tax
9 year that has a market value in the 2018 tax year of more than
10 \$192,308, the legislature shall provide for a reduction in the
11 amount of the limitation for the 2018 tax year and subsequent tax
12 years in an amount equal to the amount computed by subtracting
13 \$25,000 from an amount equal to 13 percent of the market value of
14 the homestead in the 2018 tax year and multiplying that amount by
15 the 2018 tax rate for general elementary and secondary public
16 school purposes applicable to the residence homestead.

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

19 TEMPORARY PROVISION. (a) This temporary provision applies
20 to the constitutional amendment proposed by the 85th Legislature,
21 1st Called Session, 2017, providing for an exemption from ad
22 valorem taxation for public school purposes of a dollar amount or a
23 percentage, whichever is greater, of the market value of a
24 residence homestead and providing for a reduction of the limitation
25 on the total amount of ad valorem taxes that may be imposed for
26 those purposes on the homestead of an elderly or disabled person to
27 reflect any increase in the exemption amount.

1 (b) The amendment to Sections 1-b(c) and (d), Article VIII,
2 of this constitution takes effect January 1, 2018, and applies only
3 to a tax year beginning on or after that date.

4 (c) This temporary provision expires January 1, 2019.

5 SECTION 3. This proposed constitutional amendment shall be
6 submitted to the voters at an election to be held November 7, 2017.
7 The ballot shall be printed to permit voting for or against the
8 proposition: "The constitutional amendment providing for an
9 exemption from ad valorem taxation for public school purposes of
10 \$25,000 or 13 percent, whichever is greater, of the market value of
11 a residence homestead and providing for a reduction of the
12 limitation on the total amount of ad valorem taxes that may be
13 imposed for those purposes on the homestead of an elderly or
14 disabled person to reflect any increase in the exemption amount."