

By: Shine

H.J.R. No. 25

A JOINT RESOLUTION

1 proposing a constitutional amendment authorizing the governing  
2 body of a political subdivision other than a school district to  
3 adopt an exemption from ad valorem taxation of a portion, expressed  
4 as a dollar amount, of the market value of an individual's residence  
5 homestead and authorizing the legislature to prohibit the governing  
6 body of a political subdivision that adopts such an exemption from  
7 reducing the amount of or repealing the exemption.

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

9 SECTION 1. Section 1-b, Article VIII, Texas Constitution,  
10 is amended by adding Subsections (q) and (r) to read as follows:

11 (q) The governing body of a political subdivision other than  
12 a school district by official action may exempt from ad valorem  
13 taxation a portion of the market value of the residence homestead of  
14 an individual. The amount of the exemption is \$5,000, except that  
15 if the average market value of residence homesteads in the  
16 political subdivision in the tax year in which the exemption is  
17 adopted exceeds \$25,000, the governing body may authorize an  
18 exemption in a larger dollar amount not to exceed an amount equal to  
19 20 percent of the average market value of residence homesteads in  
20 the political subdivision in the tax year in which the exemption is  
21 adopted. The legislature by general law shall specify the method  
22 for computing the average market value of residence homesteads for  
23 purposes of this subsection. Where ad valorem tax has previously  
24 been pledged for the payment of debt, the governing body may

1 continue to levy and collect the tax against the value of the  
2 homesteads exempted under this subsection until the debt is  
3 discharged if the cessation of the levy would impair the obligation  
4 of the contract by which the debt was created. The legislature by  
5 general law may prohibit the governing body of a political  
6 subdivision that adopts an exemption under this subsection from  
7 reducing the amount of or repealing the exemption.

8 (r) This subsection applies only to a political subdivision  
9 the governing body of which has ceased granting an exemption under  
10 Subsection (e) of this section, if doing so is not prohibited by the  
11 legislature by general law, and has adopted an exemption under  
12 Subsection (q) of this section. An individual who would have been  
13 entitled to an exemption from ad valorem taxation by the political  
14 subdivision under Subsection (e) of this section had the governing  
15 body not ceased granting an exemption under that subsection is  
16 entitled to continue to receive an exemption under that subsection  
17 in lieu of the exemption under Subsection (q) of this section if the  
18 individual otherwise qualifies for the exemption under Subsection  
19 (e) of this section and the amount of the exemption under that  
20 subsection exceeds the amount of the exemption under Subsection (q)  
21 of this section. The exemption applies only to property for which  
22 the individual received an exemption under Subsection (e) of this  
23 section in the last tax year in which the governing body granted an  
24 exemption under that subsection. The exemption expires in the  
25 event of a change in ownership of the property or, if the property  
26 is owned by a trust and the trustor of the trust or a beneficiary of  
27 the trust has the right to use and occupy the property as the

1 trustor's or beneficiary's principal residential property, there is  
2 a change in the trustor or beneficiary of the trust, respectively.

3 SECTION 2. The following temporary provision is added to  
4 the Texas Constitution:

5 TEMPORARY PROVISION. (a) This temporary provision applies  
6 to the constitutional amendment proposed by the 85th Legislature,  
7 1st Called Session, 2017, authorizing the governing body of a  
8 political subdivision other than a school district to adopt an  
9 exemption from ad valorem taxation of a portion, expressed as a  
10 dollar amount, of the market value of an individual's residence  
11 homestead and authorizing the legislature to prohibit the governing  
12 body of a political subdivision that adopts such an exemption from  
13 reducing the amount of or repealing the exemption.

14 (b) The amendments to Section 1-b, Article VIII, of this  
15 constitution take effect beginning with the tax year that begins  
16 January 1, 2018.

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

18 SECTION 3. This proposed constitutional amendment shall be  
19 submitted to the voters at an election to be held November 7, 2017.  
20 The ballot shall be printed to permit voting for or against the  
21 proposition: "The constitutional amendment authorizing the  
22 governing body of a political subdivision other than a school  
23 district to adopt an exemption from ad valorem taxation of a  
24 portion, expressed as a dollar amount, of the market value of an  
25 individual's residence homestead and authorizing the legislature  
26 to prohibit the governing body of a political subdivision that  
27 adopts such an exemption from reducing the amount of or repealing

1 the exemption."