

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATURE 1st CALLED SESSION - 2017

July 24, 2017

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HJR27 by Leach (Proposing a constitutional amendment authorizing the legislature to provide for an exemption from ad valorem taxation of part of the market value of the residence homestead of a partially disabled veteran or the surviving spouse of a partially disabled veteran based on the disability rating of the veteran and harmonizing certain related provisions of the constitution.), **As Introduced**

The resolution alone would have no fiscal implication to the State, other than the cost of publication. Any additional fiscal implication would be attributable to the corresponding enabling legislation.

The cost to the State for publication of the resolution is \$114,369.

The resolution would propose an amendment to Subsection 1-b(j) and to add new Subsection (q) to Section 1-b, Article VIII, of the Texas Constitution, regarding taxation, to permit the Legislature to entitle certain partially disabled veterans to a partial property tax exemption of a percentage of the market value of the disabled veteran's residence homestead that is equal to the percentage of disability of the disabled veteran. Certain specified disabled veterans who have a disability rating of at least 80 percent but less than 100 percent would be eligible. The Legislature would be permitted to provide additional eligibility requirements. The restrictions and exemption amounts specified in Section 2(b), Article VIII, of the Texas Constitution, regarding partially disabled veterans property tax exemptions, would not apply.

The amendments would permit the Legislature to provide a residence homestead exemption of the same portion of the homestead's market value to certain surviving spouses of deceased partially disabled veterans if the surviving spouse has not remarried, the property was the residence homestead of the surviving spouse when the disabled veteran died, and remains the residence homestead of the surviving spouse.

Adoption of the proposed constitutional amendment alone would have no fiscal impact on the state or units of local government. Any fiscal impact would depend on the corresponding enabling legislation (HB 129).

The cost to the state for publication of the resolution is \$114,369.

The proposed amendment would be submitted to voters at an election to be held November 7, 2017.

Local Government Impact

The proposed constitutional amendment alone would have no fiscal implication to units of local government. Any fiscal implication would be attributable to the corresponding enabling legislation.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: UP, KK, SJS