

By: Schofield

H.J.R. No. 69

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 increased 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 Regular Session, 2017, providing for an exemption from ad valorem  
22 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 increased 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 increased exemption amount."