

By: West

S.B. No. 1543

A BILL TO BE ENTITLED

AN ACT

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.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 11.13, Tax Code, is amended by amending Subsection (i) and adding Subsection (s) to read as follows:

(i) The assessor and collector for a taxing unit may disregard the exemptions authorized by Subsection (b), (c), (d), ~~or~~ (n), or (s) ~~[of this section]~~ and assess and collect a tax pledged for payment of debt without deducting the amount of the exemption if:

(1) prior to adoption of the exemption, the unit pledged the taxes for the payment of a debt; and

(2) granting the exemption would impair the obligation of the contract creating the debt.

(s) For purposes of this subsection, "qualifying county resident" means a resident of a county that adopts the exemption provided by this subsection who is indigent or a Medicaid recipient. In addition to any other exemptions provided by this section, a licensed physician is entitled to an exemption from

taxation by a county of a percentage, not to exceed 50 percent, of the appraised value of the physician's residence homestead if the exemption is adopted by the commissioners court of the county in the manner provided by law for official action by the commissioners court. To be eligible to receive an exemption under this subsection, a physician must provide health care services to qualifying county residents and not seek payment for those services from any source, including the Medicaid program or otherwise from this state or the federal government. The commissioners court shall specify in the order adopting the exemption the number of qualifying county residents to whom a physician must provide health care services during a tax year to be eligible to receive an exemption under this subsection. The commissioners court may express the number as a percentage of the physician's total practice. The commissioners court shall submit to the chief appraiser a copy of the order adopting the exemption and any subsequent order adopted by the commissioners court that relates to the exemption. The chief appraiser may require a physician seeking an exemption under this subsection to present additional information establishing eligibility for the exemption. The commissioners court may repeal the exemption in the manner provided by law for official action by the commissioners court.

SECTION 2. This Act applies only to ad valorem taxes imposed for a tax year that begins on or after the effective date of this Act.

SECTION 3. This Act takes effect January 1, 2018, but only if the constitutional amendment proposed by the 85th Legislature,

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1 Regular Session, 2017, authorizing a local option exemption from ad
2 valorem taxation by a county of a portion of the value of the
3 residence homestead of a physician who provides health care
4 services for which the physician agrees not to seek payment from any
5 source, including the Medicaid program or otherwise from this state
6 or the federal government, to county residents who are indigent or
7 who are Medicaid recipients is approved by the voters. If that
8 amendment is not approved by the voters, this Act has no effect.