



FLOOR AMENDMENT NO. _____

19 APR -9 PM 8:00

BY:

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HOUSE OF REPRESENTATIVES

1 Amend C.S.H.B. 2 (house committee printing) by adding the
2 following appropriately numbered SECTIONS to the bill and
3 renumbering SECTIONS of the bill accordingly:

4 SECTION ____ . Section 11.13(n), Tax Code, is amended to read
5 as follows:

6 (n) In addition to any other exemptions provided by this
7 section, an individual is entitled to an exemption from taxation
8 by a taxing unit of a percentage of the appraised value of the
9 individual's [his] residence homestead if the exemption is adopted
10 by the governing body of the taxing unit before July 1 in the
11 manner provided by law for official action by the body. If the
12 percentage set by the taxing unit produces an exemption in a tax
13 year of less than \$5,000 when applied to a particular residence
14 homestead, the individual is entitled to an exemption of \$5,000 of
15 the appraised value. The percentage adopted by the taxing unit
16 may not exceed 30 ~~+20~~ percent.

17 SECTION ____ . Chapter 26, Tax Code, is amended by adding
18 Section 26.0442 to read as follows:

19 Sec. 26.0442. TAX RATE ADJUSTMENT FOR LOCAL OPTION RESIDENCE
20 HOMESTEAD EXEMPTION EXPENDITURES. (a) In this section, "local
21 option residence homestead exemption expenditure" means the amount
22 of tax revenue that the taxing unit lost for the preceding tax
23 year as the result of the granting of local option residence
24 homestead exemptions under Section 11.13(n), calculated by
25 multiplying the adopted tax rate of the taxing unit for the
26 preceding tax year by the difference between the total appraised
27 value and the total taxable value for the preceding tax year of
28 all property located in the taxing unit that qualified for a
29 residence homestead exemption under Section 11.13(n) for that tax

1 year.

2 (b) If a taxing unit's local option residence homestead
3 exemption expenditures exceed the amount of those expenditures for
4 the preceding tax year, the no-new-revenue maintenance and
5 operations rate for the taxing unit is increased by the rate
6 computed according to the following formula:

7 (Current Tax Year's Local Option Residence Homestead
8 Exemption Expenditures - Preceding Tax Year's Local Option
9 Residence Homestead Exemption Expenditures) / (Current Total
10 Value - New Property Value)

11 (c) The taxing unit shall include a notice of the increase in
12 the no-new-revenue maintenance and operations rate provided by
13 this section, including a description and the amount of the local
14 option residence homestead exemption expenditures, in the
15 information published under Section 26.04(e) and, as applicable,
16 in the notice prescribed by Section 26.06 or 26.061.

17 SECTION ____ . Section 26.0442, Tax Code, as added by this Act,
18 applies to the no-new-revenue maintenance and operations rate of
19 a taxing unit beginning with the 2020 tax year.