86R16053 TJB-D

By:  Thompson of Harris, Coleman, Allen, H.B. No. 1842

     Johnson of Harris, Morales, et al.

Substitute the following for H.B. No. 1842:

By:  Rodriguez C.S.H.B. No. 1842

A BILL TO BE ENTITLED

AN ACT

relating to the application of the limit on appraised value of a residence homestead for ad valorem tax purposes to an improvement that is a replacement structure for a structure that was rendered uninhabitable or unusable by a casualty or by wind or water damage.

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

SECTION 1.  Section 23.23(g), Tax Code, is amended to read as follows:

(g)  In this subsection, "disaster recovery program" means a [~~the~~] disaster recovery program [~~administered by the General Land Office that is~~] funded with community development block grant disaster recovery money authorized by federal law [~~the Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2009 (Pub. L. No. 110-329) and the Consolidated and Further Continuing Appropriations Act, 2012 (Pub. L. No. 112-55)~~]. Notwithstanding Subsection (f)(2), and only to the extent necessary to satisfy the requirements of a [~~the~~] disaster recovery program, a replacement structure described by that subdivision is not considered to be a new improvement if to satisfy the requirements of the disaster recovery program it was necessary that:

(1)  the square footage of the replacement structure exceed that of the replaced structure as that structure existed before the casualty or damage occurred; or

(2)  the exterior of the replacement structure be of higher quality construction and composition than that of the replaced structure.

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

SECTION 3.  This Act takes effect January 1, 2020.