86R4873 LHC-D

By:  Sanford H.B. No. 4184

A BILL TO BE ENTITLED

AN ACT

relating to the exemption from ad valorem taxation of a percentage of the appraised value of the residence homestead of a partially disabled veteran and the amount of the exemption for the surviving spouses and children of certain disabled veterans.

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

SECTION 1.  Section 11.22, Tax Code, is amended by adding Subsection (b-1) and amending Subsections (c) and (e) to read as follows:

(b-1)  A disabled veteran who has a disability rating of at least 10 percent but less than 100 percent is entitled to an exemption from taxation of a percentage of the appraised value of the disabled veteran's residence homestead equal to the disabled veteran's disability rating.

(c)  If a disabled veteran who is entitled to an exemption by Subsection (a), [~~or~~] (b), or (b-1) [~~of this section~~] dies, the veteran's surviving spouse is entitled to an exemption from taxation of a portion of the assessed value of a property the spouse owns and designates as provided by Subsection (f) [~~of this section~~]. The amount of the exemption is the dollar amount of the veteran's exemption at time of death. The spouse is entitled to an exemption by this subsection only for as long as the spouse remains unmarried. If the spouse does not survive the veteran, each of the veteran's surviving children who is younger than 18 years of age and unmarried is entitled to an exemption from taxation of a portion of the assessed value of a property the child owns and designates as provided by Subsection (f) [~~of this section~~]. The amount of exemption for each eligible child is computed by dividing the dollar amount of the veteran's exemption at time of death by the number of eligible children. The surviving spouse or a surviving child of a disabled veteran who was receiving an exemption under Subsection (b-1) at the time of the veteran's death may designate as provided by Subsection (f) only a property that qualifies as the spouse's or child's residence homestead.

(e)  An individual who qualifies for more than one exemption authorized by this section is entitled to aggregate the amounts of the exemptions, except that:

(1)  a disabled veteran who qualifies for more than one exemption authorized by Subsections (a), [~~and~~] (b), and (b-1) [~~of this section~~] is entitled to only one exemption but may choose the greatest exemption for which the veteran [~~he~~] qualifies; and

(2)  an individual who receives an exemption as a surviving spouse of a disabled veteran as provided by Subsection (c) [~~of this section~~] may not receive an exemption as a surviving child as provided by Subsection (c) or (d) [~~of this section~~].

SECTION 2.  Section 11.22(h), Tax Code, is amended by adding Subdivision (3-a) to read as follows:

(3-a)  "Residence homestead" has the meaning assigned by Section 11.13.

SECTION 3.  This Act applies only to ad valorem taxes imposed for a tax year beginning on or after the effective date of this Act.

SECTION 4.  This Act takes effect January 1, 2020, but only if the constitutional amendment proposed by the 86th Legislature, Regular Session, 2019, proposing a constitutional amendment authorizing the legislature to exempt from ad valorem taxation a percentage of the assessed value of the residence homestead of a partially disabled veteran based on the disability rating of the veteran is approved by the voters. If that constitutional amendment is not approved by the voters, this Act has no effect.