86R16349 CJC-D

By:  Holland, Bohac, Guillen, et al. H.B. No. 4367

A BILL TO BE ENTITLED

AN ACT

relating to an exemption from ad valorem taxation of the residence homesteads of certain disabled first responders and their surviving spouses.

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

SECTION 1.  Subchapter B, Chapter 11, Tax Code, is amended by adding Section 11.138 to read as follows:

Sec. 11.138.  RESIDENCE HOMESTEAD OF CERTAIN DISABLED FIRST RESPONDERS. (a) In this section:

(1)  "First responder" means an individual listed under Section 615.003, Government Code.

(2)  "Qualifying disabled first responder" means a first responder who, as a result of an injury occurring in the line of duty, is entitled to receive lifetime income benefits under Section 408.161, Labor Code.

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

(4)  "Surviving spouse" means the individual who was married to a qualifying disabled first responder at the time of the qualifying disabled first responder's death.

(b)  A qualifying disabled first responder is entitled to an exemption from taxation of the total appraised value of the qualifying disabled first responder's residence homestead.

(c)  The surviving spouse of a qualifying disabled first responder who qualified for an exemption under Subsection (b) when the qualifying disabled first responder died is entitled to an exemption from taxation of the total appraised value of the same property to which the qualifying disabled first responder's exemption applied if:

(1)  the surviving spouse has not remarried since the death of the qualifying disabled first responder; and

(2)  the property:

(A)  was the residence homestead of the surviving spouse when the qualifying disabled first responder died; and

(B)  remains the residence homestead of the surviving spouse.

(d)  If a surviving spouse who qualifies for an exemption under Subsection (c) subsequently qualifies a different property as the surviving spouse's residence homestead, the surviving spouse is entitled to an exemption from taxation of the subsequently qualified homestead in an amount equal to the dollar amount of the exemption from taxation of the former homestead under Subsection (c) in the last year in which the surviving spouse received an exemption under that subsection for that homestead if the surviving spouse has not remarried since the death of the qualifying disabled first responder. The surviving spouse is entitled to receive from the chief appraiser of the appraisal district in which the former residence homestead was located a written certificate providing the information necessary to determine the amount of the exemption to which the surviving spouse is entitled on the subsequently qualified homestead.

SECTION 2.  Section 11.42(e), Tax Code, is amended to read as follows:

(e)  A person who qualifies for an exemption under Section 11.131 or 11.138 after January 1 of a tax year may receive the exemption for the applicable portion of that tax year immediately on qualification for the exemption.

SECTION 3.  Section 11.43(c), Tax Code, is amended to read as follows:

(c)  An exemption provided by Section 11.13, 11.131, 11.132, 11.133, 11.134, 11.138, 11.17, 11.18, 11.182, 11.1827, 11.183, 11.19, 11.20, 11.21, 11.22, 11.23(a), (h), (j), (j-1), or (m), 11.231, 11.254, 11.27, 11.271, 11.29, 11.30, 11.31, or 11.315, once allowed, need not be claimed in subsequent years, and except as otherwise provided by Subsection (e), the exemption applies to the property until it changes ownership or the person's qualification for the exemption changes.  However, except as provided by Subsection (r), the chief appraiser may require a person allowed one of the exemptions in a prior year to file a new application to confirm the person's current qualification for the exemption by delivering a written notice that a new application is required, accompanied by an appropriate application form, to the person previously allowed the exemption. If the person previously allowed the exemption is 65 years of age or older, the chief appraiser may not cancel the exemption due to the person's failure to file the new application unless the chief appraiser complies with the requirements of Subsection (q), if applicable.

SECTION 4.  Section 11.431(a), Tax Code, is amended to read as follows:

(a)  The chief appraiser shall accept and approve or deny an application for a residence homestead exemption, including an exemption under Section 11.131 or 11.132 for the residence homestead of a disabled veteran or the surviving spouse of a disabled veteran, an exemption under Section 11.133 for the residence homestead of the surviving spouse of a member of the armed services of the United States who is killed in action, [~~or~~] an exemption under Section 11.134 for the residence homestead of the surviving spouse of a first responder who is killed or fatally injured in the line of duty, or an exemption under Section 11.138 for the residence homestead of a qualifying disabled first responder or the surviving spouse of a qualifying disabled first responder, after the deadline for filing it has passed if it is filed not later than two years after the delinquency date for the taxes on the homestead.

SECTION 5.  Section 26.10(c), Tax Code, is amended to read as follows:

(c)  If the appraisal roll shows that a residence homestead exemption under Section 11.131 or 11.138 applicable to a property on January 1 of a year terminated during the year, the tax due against the residence homestead is calculated by multiplying the amount of the taxes that otherwise would be imposed on the residence homestead for the entire year had the individual not qualified for the residence homestead exemption [~~under Section 11.131~~] during the year by a fraction, the denominator of which is 365 and the numerator of which is the number of days that elapsed after the date the exemption terminated.

SECTION 6.  Section 26.1125, Tax Code, is amended to read as follows:

Sec. 26.1125.  CALCULATION OF TAXES ON RESIDENCE HOMESTEAD OF 100 PERCENT OR TOTALLY DISABLED VETERAN OR QUALIFYING DISABLED FIRST RESPONDER. (a) If a person qualifies for an exemption under Section 11.131 or 11.138 after the beginning of a tax year, the amount of the taxes on the residence homestead of the person for the tax year is calculated by multiplying the amount of the taxes that otherwise would be imposed on the residence homestead for the entire year had the person not qualified for the applicable exemption [~~under Section 11.131~~] by a fraction, the denominator of which is 365 and the numerator of which is the number of days that elapsed before the date the person qualified for the applicable exemption [~~under Section 11.131~~].

(b)  If a person qualifies for an exemption under Section 11.131 or 11.138 with respect to the property after the amount of the tax due on the property is calculated and the effect of the qualification is to reduce the amount of the tax due on the property, the assessor for each taxing unit shall recalculate the amount of the tax due on the property and correct the tax roll. If the tax bill has been mailed and the tax on the property has not been paid, the assessor shall mail a corrected tax bill to the person in whose name the property is listed on the tax roll or to the person's authorized agent. If the tax on the property has been paid, the tax collector for the taxing unit shall refund to the person who paid the tax the amount by which the payment exceeded the tax due.

SECTION 7.  Section 403.302(d-1), Government Code, is amended to read as follows:

(d-1)  For purposes of Subsection (d), a residence homestead that receives an exemption under Section 11.131, 11.133, [~~or~~] 11.134, or 11.138, Tax Code, in the year that is the subject of the study is not considered to be taxable property.

SECTION 8.  Section 11.138, Tax Code, as added by this Act, applies only to ad valorem taxes imposed for a tax year beginning on or after January 1, 2020.

SECTION 9.  This Act takes effect January 1, 2020, but only if the constitutional amendment proposed by the 86th Legislature, Regular Session, 2019, authorizing the legislature to provide for an exemption from ad valorem taxation of all or part of the market value of the residence homesteads of certain disabled first responders and their surviving spouses is approved by the voters. If that constitutional amendment is not approved by the voters, this Act has no effect.