By:  West S.B. No. 2362

A BILL TO BE ENTITLED

AN ACT

relating to the authority of the governing body of a taxing unit to adopt an exemption from ad valorem taxation of an individual's residence homestead.

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

SECTION 1.  Section 11.13(n), Tax Code, is amended to read as follows:

(n)  In addition to any other exemptions provided by this section, an individual is entitled to an exemption from taxation by a taxing unit of a percentage of the appraised value of the individual's [~~his~~] residence homestead or of a fixed dollar amount if the exemption is adopted by the governing body of the taxing unit before July 1 in the manner provided by law for official action by the body. If the percentage set by the taxing unit produces an exemption in a tax year of less than $5,000, or of a greater dollar amount not to exceed $25,000 adopted by the governing body before July 1 of that tax year in the manner provided by law for official action by the body, when applied to a particular residence homestead, the individual is entitled to an exemption of $5,000 or, if applicable, of the greater dollar amount adopted by the governing body, of the appraised value. The percentage adopted by the taxing unit may not exceed 30 [~~20~~] percent.

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, 2020, but only if the constitutional amendment proposed by the 86th Legislature, Regular Session, 2019, authorizing the governing body of a political subdivision that adopts an exemption from ad valorem taxation of a percentage of the market value of an individual's residence homestead to set the minimum dollar amount of the exemption to which an individual is entitled in a tax year is approved by the voters. If that amendment is not approved by the voters, this Act has no effect.