86R12810 SMH-D

By:  Zaffirini S.J.R. No. 58

A JOINT RESOLUTION

proposing a constitutional amendment to authorize the legislature to permit the governing body of a political subdivision in a county in which home prices are appreciating rapidly to adopt a limitation on increases in the appraised value for purposes of ad valorem taxation by the political subdivision of residence homesteads in certain low-income areas.

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

SECTION 1.  Section 1, Article VIII, Texas Constitution, is amended by adding Subsection (i-1) to read as follows:

(i-1)  Notwithstanding Subsections (a), (b), and (i) of this section, the Legislature by general law may authorize the governing body of a political subdivision all or part of which is located in a county in which home prices are appreciating rapidly to limit the maximum appraised value of a residence homestead in a low-income area for purposes of ad valorem taxation by the political subdivision of the residence homestead in a tax year to the lesser of the most recent market value of the residence homestead as determined by the appraisal entity or the amount computed by adjusting the appraised value of the residence homestead for the preceding tax year by the greater of the percentage set by the governing body or the rate of increase in the sales price of existing homes in this state. The maximum appraised value of a residence homestead that is subject to a limitation on appraised values authorized by this subsection and to a limitation authorized by Subsection (i) of this section is equal to the lesser of the amount authorized by this subsection and the amount authorized by that subsection. A limitation on appraised values authorized by this subsection:

(1)  takes effect as to a residence homestead on the later of the effective date of the limitation or January 1 of the tax year following the first tax year in which the owner qualifies the property for an exemption under Section 1-b of this article and the residence homestead is located in a low-income area; and

(2)  expires on January 1 of the first tax year in which neither the owner of the property when the limitation took effect nor the owner's spouse or surviving spouse qualifies for an exemption under Section 1-b of this article or the residence homestead ceases to be located in a low-income area.

SECTION 2.  This proposed constitutional amendment shall be submitted to the voters at an election to be held November 5, 2019. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment to authorize the legislature to permit the governing body of a political subdivision in a county in which home prices are appreciating rapidly to adopt a limitation on increases in the appraised value for purposes of ad valorem taxation by the political subdivision of residence homesteads in certain low-income areas."