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S.B. No. 443

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the period for which a property owner may receive a
3 residence homestead exemption from ad valorem taxation for property
4 that is rendered uninhabitable or unusable as a result of a
5 disaster.

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

7 SECTION 1. Section 11.135, Tax Code, is amended by amending
8 Subsection (a) and adding Subsection (a-1) to read as follows:

9 (a) If a qualified residential structure for which the owner
10 receives an exemption under Section 11.13 is rendered uninhabitable
11 or unusable by a casualty or by wind or water damage, the owner may
12 continue to receive the exemption for the structure and the land and
13 improvements used in the residential occupancy of the structure
14 while the owner constructs a replacement qualified residential
15 structure on the land if the owner does not establish a different
16 principal residence for which the owner receives an exemption under
17 Section 11.13 during that period and intends to return and occupy
18 the structure as the owner's principal residence. To continue to
19 receive the exemption, the owner must begin active construction of
20 the replacement qualified residential structure or other physical
21 preparation of the site on which the structure is to be located not
22 later than the first anniversary, or the fifth anniversary for a
23 property described by Subsection (a-1)(1), of the date the owner
24 ceases to occupy the former qualified residential structure as the

1 owner's principal residence.

2 (a-1) An ~~[The]~~ owner may not receive an ~~[the]~~ exemption
3 under Section 11.13 for ~~[that]~~ property under the circumstances
4 described by Subsection (a) ~~[this subsection]~~ for more than:

5 (1) five years if:

6 (A) the property is located in an area declared
7 to be a disaster area by the governor following a disaster; and

8 (B) the residential structure located on the
9 property is rendered uninhabitable or unusable as a result of the
10 disaster; or

11 (2) two years if Subdivision (1) does not apply.

12 SECTION 2. This Act takes effect immediately if it receives
13 a vote of two-thirds of all the members elected to each house, as
14 provided by Section 39, Article III, Texas Constitution. If this
15 Act does not receive the vote necessary for immediate effect, this
16 Act takes effect September 1, 2019.