

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 16, 2019

TO: Honorable Dustin Burrows, Chair, House Committee on Ways & Means

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: HB2441 by Wray (Relating to the entitlement of a person who is disabled and elderly to receive a disabled residence homestead exemption from ad valorem taxation from one taxing unit and an elderly exemption from another taxing unit.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend Section 11 of the Tax Code, regarding taxable property and exemptions, to provide that an eligible disabled person who is 65 or older may not receive both a disabled and an elderly residence homestead exemption from the same taxing unit in the same year, but would be permitted to choose either if a taxing unit has adopted both. An eligible disabled person who is 65 or older would be permitted to receive both a disabled and an elderly residence homestead in the same year if the person receives the exemptions with respect to taxes levied by different taxing units.

The bill's provision allowing a person to choose an over-65 residence homestead property tax exemption or a disabled residence homestead property tax exemption if a taxing unit has adopted both would not be a change in practice in most tax offices. Similarly, a person's ability to receive both exemptions in the same year if the person receives the exemptions with respect to taxes levied by different taxing units would not be a change in practice in most tax offices. The cost of the bill to local taxing units and to the state is not expected to be significant.

The bill would take effect January 1, 2020.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: WP, KK, SD, SJS