

By: Allison

H.J.R. No. 19

A JOINT RESOLUTION

1 proposing a constitutional amendment authorizing the legislature  
2 to limit the maximum appraised value of residential real property  
3 for ad valorem tax purposes to 105 percent or more of the appraised  
4 value of the property for the preceding tax year, to exempt from ad  
5 valorem taxation the total appraised value of property purchased by  
6 an individual for the first tax year the individual qualifies the  
7 property as the individual's residence homestead if the property is  
8 the individual's first residence homestead and has an appraised  
9 value of less than \$300,000, and to limit the total amount of ad  
10 valorem taxes that a political subdivision may impose on the  
11 residence homestead of an individual and the surviving spouse of  
12 the individual if the individual qualifies the property as the  
13 individual's residence homestead for at least 25 consecutive tax  
14 years.

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

16 SECTION 1. Section 1(i), Article VIII, Texas Constitution,  
17 is amended to read as follows:

18 (i) Notwithstanding Subsections (a) and (b) of this  
19 section, the Legislature by general law may limit the maximum  
20 appraised value of residential real property, as defined by the  
21 Legislature, [~~a residence homestead~~] for ad valorem tax purposes in  
22 a tax year to the lesser of the most recent market value of the real  
23 property [~~residence homestead~~] as determined by the appraisal  
24 entity or 105 [~~110~~] percent, or a greater percentage, of the

1 appraised value of the real property [~~residence homestead~~] for the  
2 preceding tax year. A limitation on appraised values authorized by  
3 this subsection:

4 (1) takes effect in the tax year following the first  
5 tax year in which the owner owns the property on January 1 or, if the  
6 property qualifies for an exemption as the [~~to a~~] residence  
7 homestead of the owner under Section 1-b of this article in the tax  
8 year in which the owner acquires the property, in [~~on the later of~~  
9 ~~the effective date of the law imposing the limitation or January 1~~  
10 ~~of~~] the tax year following the [~~first~~] tax year in which the owner  
11 acquires [~~qualifies~~] the property [~~for an exemption under Section~~  
12 ~~1-b of this article~~]; and

13 (2) expires on January 1 of the [~~first~~] tax year  
14 following the tax year in which [~~that neither~~] the owner of the  
15 property when the limitation took effect ceases to own the  
16 property, except that the Legislature by general law may provide  
17 for the limitation applicable to a residence homestead to continue  
18 during ownership of the property by [~~nor~~] the owner's spouse or  
19 surviving spouse [~~qualifies for an exemption under Section 1-b of~~  
20 ~~this article~~].

21 SECTION 2. Section 1-b, Article VIII, Texas Constitution,  
22 is amended by adding Subsection (q) to read as follows:

23 (q) The legislature by general law may provide that an  
24 individual who purchases property and qualifies the property as the  
25 individual's residence homestead is entitled to an exemption from  
26 ad valorem taxation of the total appraised value of the property for  
27 the first tax year the individual qualifies the property as the

1 individual's residence homestead if the property is the first  
2 property the individual has ever qualified as the individual's  
3 residence homestead and has an appraised value of less than  
4 \$300,000 for that first tax year. Where ad valorem tax of a  
5 political subdivision has previously been pledged for the payment  
6 of debt, the taxing officers of the political subdivision may  
7 continue to levy and collect the tax against the value of residence  
8 homesteads exempted under this subsection until the debt is  
9 discharged if the cessation of the levy would impair the obligation  
10 of the contract by which the debt was created. The legislature  
11 shall provide for formulas to protect school districts against all  
12 or part of the revenue loss incurred by the implementation of this  
13 subsection. The legislature by general law may prescribe  
14 procedures for the administration of this subsection.

15 SECTION 3. Article VIII, Texas Constitution, is amended by  
16 adding Section 1-b-1 to read as follows:

17 Sec. 1-b-1. (a) The legislature by general law may limit  
18 the total amount of ad valorem taxes imposed by a political  
19 subdivision on the residence homestead of an individual who  
20 qualifies the property as the individual's residence homestead for  
21 at least 25 consecutive tax years. A law enacted under this section  
22 may provide that the taxes imposed by the political subdivision on  
23 the residence homestead after that 25th tax year may not exceed the  
24 amount of taxes imposed by the political subdivision on the  
25 property in that 25th tax year.

26 (b) A law enacted under this section may provide that if the  
27 first tax year an individual qualified property as the individual's

1 residence homestead was a tax year before the 24th tax year before  
2 the tax year in which the law took effect, the individual is  
3 considered to have qualified the property as the individual's  
4 residence homestead for the first time in the 24th tax year before  
5 the tax year in which the law took effect.

6 (c) A law enacted under this section may provide that the  
7 total amount of ad valorem taxes imposed by a political subdivision  
8 on a residence homestead may not be increased while the property  
9 remains the residence homestead of the surviving spouse of an  
10 individual who dies in a tax year in which the taxes on the property  
11 are subject to the limitation authorized by Subsection (a) of this  
12 section.

13 (d) Notwithstanding Subsection (a) or (c) of this section, a  
14 law enacted under this section may provide that taxes on a residence  
15 homestead subject to the limitation authorized by this section may  
16 be increased to the extent the value of the residence homestead is  
17 increased by an improvement made to the property, other than:

18 (1) a repair; or

19 (2) an improvement made to comply with a governmental  
20 requirement.

21 (e) A law enacted under this section may prescribe:

22 (1) additional eligibility requirements for the tax  
23 limitation authorized by this section; and

24 (2) procedures for the administration of the  
25 limitation.

26 SECTION 4. This proposed constitutional amendment shall be  
27 submitted to the voters at an election to be held November 8, 2022.

1 The ballot shall be printed to permit voting for or against the  
2 proposition: "The constitutional amendment authorizing the  
3 legislature to limit the maximum appraised value of residential  
4 real property for ad valorem tax purposes to 105 percent or more of  
5 the appraised value of the property for the preceding tax year, to  
6 exempt from ad valorem taxation the total appraised value of  
7 property purchased by an individual for the first tax year the  
8 individual qualifies the property as the individual's residence  
9 homestead if the property is the individual's first residence  
10 homestead and has an appraised value of less than \$300,000, and to  
11 limit the total amount of ad valorem taxes that a political  
12 subdivision may impose on the residence homestead of an individual  
13 and the surviving spouse of the individual if the individual  
14 qualifies the property as the individual's residence homestead for  
15 at least 25 consecutive tax years."