

BILL ANALYSIS

Senate Research Center
87R5581 SMT-D

H.J.R. 125
By: Ellzey et al. (Birdwell)
Finance
4/21/2021
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

H.J.R. 125 retroactively validates provisions in the Tax Code that were enacted by the 86th Legislature through H.B. 1313. H.J.R. 125 proposes an amendment to the Texas Constitution to provide that a person who is 55 years of age or older at the time of their spouse's death may continue to receive a limitation on school district property taxes on their residence homestead on the basis of a disability if, at the time of their spouse's death, their spouse was entitled to such a limitation. The enabling language (H.B. 1313) for this constitutional amendment currently resides in Section 11.26 of the Tax Code. H.J.R. 125 includes a temporary provision set to expire on January 1, 2023, that validates and implements the changes to the law made by H.B. 1313. This constitutional amendment would affirm the actions of a collector who, in reliance on H.B. 1313, extended the disability exemption to a surviving spouse over the previous biennium. Further, this amendment would require a collector who failed to implement H.B. 1313's provisions to refund a surviving spouse who would have otherwise been eligible for such an exemption.

H.J.R. 125 proposes a constitutional amendment to allow the surviving spouse of a person who is disabled to receive a limitation on the school district ad valorem taxes on the spouse's residence homestead if the spouse is 55 years of age or older at the time of the person's death.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 1-b(d), Article VIII, Texas Constitution, as follows:

(d) Provides that if a person who is 65 years of age or older or who is disabled, rather than a person 65 years of age or older, dies in a year in which the person received a residence homestead tax exemption, the total amount of ad valorem taxes imposed on the homestead for general elementary and secondary public school purposes is prohibited from being increased while it remains the residence homestead of that person's surviving spouse if the spouse is 55 years of age or older at the time of the person's death, subject to any exceptions provided by general law.

SECTION 2. Provides that the following temporary provision is added to the Texas Constitution:

TEMPORARY PROVISION. (a) Provides that the changes to the law made by Section 1, Chapter 1284 (H.B. 1313), Acts of the 86th Legislature, Regular Session, 2019, are validated.

(b) Provides that an action taken by a tax official in reliance on Section 1, Chapter 1284 (H.B. 1313), Acts of the 86th Legislature, Regular Session, 2019, is validated.

(c) Requires a collector who collected school district ad valorem taxes from a surviving spouse who, under the law as amended by Section 1, Chapter 1284

(H.B. 1313), Acts of the 86th Legislature, Regular Session, 2019, was entitled to receive a limitation on school district taxes on the spouse's residence homestead to calculate the school district taxes that should have been imposed for the 2020 and 2021 tax years taking into account the change in law made by that Act and, if the taxes collected by the collector for those tax years exceed the taxes that should have been imposed as calculated under this subsection, the collector is required to refund to the surviving spouse the difference between the taxes collected and the taxes that should have been imposed as calculated under this subsection.

(d) Provides that this temporary provision expires January 1, 2023.

SECTION 3. Requires that the proposed constitutional amendment be submitted to the voters at an election to be held November 2, 2021. Sets forth the required language of the ballot.