87R2684 SMT-D

By:  Shine H.B. No. 994

A BILL TO BE ENTITLED

AN ACT

relating to an exemption from ad valorem taxation by a taxing unit other than a school district of a portion of the appraised value of a residence homestead based on the average appraised value of all qualified residence homesteads located in the same county.

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

SECTION 1.  Section 11.13, Tax Code, is amended by adding Subsection (v) to read as follows:

(v)  In addition to any other exemptions provided by this section, an individual is entitled to an exemption from taxation by a taxing unit other than a school district of a portion of the appraised value of the individual's residence homestead in an amount equal to 5 percent, or a greater percentage not to exceed 25 percent specified by the governing body of the taxing unit before July 1 in the manner provided by law for official action by the body, of the average appraised value in the current tax year of all residence homesteads that are located in the same county as the individual's homestead and that qualify for an exemption under this section. The chief appraiser shall determine the average appraised value of those residence homesteads according to the appraisal records as of August 1, including all corrections and changes made as a result of actions taken under Section 25.25 and Chapters 41 and 42 as of that date.

SECTION 2.  Section 25.19(b), Tax Code, as effective January 1, 2022, is amended to read as follows:

(b)  The chief appraiser shall separate real from personal property and include in the notice for each:

(1)  a list of the taxing units in which the property is taxable;

(2)  the appraised value of the property in the preceding year;

(3)  the taxable value of the property in the preceding year for each taxing unit taxing the property;

(4)  the appraised value of the property for the current year, the kind and amount of each exemption and partial exemption, if any, approved for the property for the current year and for the preceding year, including an estimate for each taxing unit other than a school district of the amount of the exemption under Section 11.13(v), if applicable, approved for the property for the current year, and, if an exemption or partial exemption that was approved for the preceding year was canceled or reduced for the current year, the amount of the exemption or partial exemption canceled or reduced;

(5)  in italic typeface, the following statement: "The Texas Legislature does not set the amount of your local taxes. Your property tax burden is decided by your locally elected officials, and all inquiries concerning your taxes should be directed to those officials.";

(6)  a detailed explanation of the time and procedure for protesting the value;

(7)  the date and place the appraisal review board will begin hearing protests; and

(8)  a brief explanation that the governing body of each taxing unit decides whether [~~or not~~] taxes on the property will increase and that the appraisal district only determines the value of the property.

SECTION 3.  This Act applies only to ad valorem taxes imposed for a tax year beginning on or after the effective date of this Act.

SECTION 4.  This Act takes effect January 1, 2022, but only if the constitutional amendment proposed by the 87th Legislature, Regular Session, 2021, authorizing the legislature to provide for an exemption from ad valorem taxation by a political subdivision other than a school district of a portion of the assessed value of a residence homestead based on the average assessed value of all qualified residence homesteads that are located in the same county as the homestead is approved by the voters. If that amendment is not approved by the voters, this Act has no effect.