87R12374 SMH-D

By:  Allison H.J.R. No. 145

A JOINT RESOLUTION

proposing a constitutional amendment to authorize the legislature to limit the appraised value of real property for ad valorem tax purposes to the value when the owner acquired the property and to provide for determining that value on the basis of the purchase price of the property, if applicable.

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

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

(i)  Notwithstanding Subsections (a) and (b) of this section, the Legislature by general law may limit the maximum appraised value of real property [~~a residence homestead~~] for ad valorem tax purposes in a tax year to the lesser of the most recent market value of the property [~~residence homestead~~] as determined by the appraisal entity or the sum of [~~110 percent, or a greater percentage, of~~] the appraised value of the property [~~residence homestead~~] for the [~~preceding~~] tax year in which the owner acquired the property and the initial market value of each new improvement to the property. The Legislature may provide for determining the appraised value of the property for the tax year in which the owner acquired the property on the basis of the purchase price the owner paid for the property if the owner was a bona fide purchaser for value and applies for the limitation on appraised value under this subsection not later than a date prescribed by general law in the tax year following the year in which the person purchased the property. The Legislature may prescribe or delegate to an appropriate public official or entity the authority to prescribe standards and procedures to administer a law enacted under this subsection, including criteria to be used to determine whether a person is a bona fide purchaser for value. A limitation on appraised values authorized by this subsection:

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

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

SECTION 2.  This proposed constitutional amendment shall be submitted to the voters at an election to be held November 2, 2021. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment to authorize the legislature to limit the appraised value of real property for ad valorem tax purposes to the value when the owner acquired the property and to provide for determining that value on the basis of the purchase price of the property, if applicable."