

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

March 5, 2021

TO: Honorable Morgan Meyer, Chair, House Committee on Ways & Means

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB457 by Shaheen (Relating to a local option exemption from ad valorem taxation by a county of a portion of the value of the residence homestead of a physician who provides health care services for which the physician agrees not to seek payment from any source, including the Medicaid program or otherwise from this state or the federal government, to county residents who are indigent or who are Medicaid recipients.), **As Introduced**

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| No fiscal implication to the State is anticipated. |
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The bill would amend Chapter 11 of the Tax Code, regarding taxable property and exemptions, to permit a county commissioners court to exempt from county property taxation a percentage, not to exceed 50 percent, of the appraised value of the residence homestead of a licensed physician who provides health care services to indigent residents or Medicaid recipients of the county for which the physician agrees not to seek payment from any source.

The county commissioners court would be required to specify the number of indigent or Medicaid recipient county residents to whom a physician must provide health care services during a tax year to be eligible to receive the exemption. The county commissioners court would be permitted to express the required number of residents as a percentage of the physician's total practice. The bill would provide certain administrative procedures for the exemption, and the exemption would be in addition to any other property tax exemptions.

This bill, in and of itself, would have no fiscal impact on the state or units of local government. The associated constitutional amendment is self enabling; consequently any fiscal impact is shown in the fiscal note for the corresponding constitutional amendment (HJR 25).

The bill would take effect on January 1, 2022, contingent on voter approval of a constitutional amendment (HJR 25).

Local Government Impact

The bill would have no fiscal impact on units of local government. Any fiscal impact (limited to counties) is shown in the fiscal note for the corresponding constitutional amendment.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JMc, KK, SD, BRi, WP, SJS