

By: Tepper

H.J.R. No. 5

A JOINT RESOLUTION

proposing a constitutional amendment to authorize the legislature to limit the maximum appraised value of commercial property and rental property for ad valorem taxation.

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

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

Sec. 1. EQUALITY AND UNIFORMITY OF TAXATION; TAXATION OF PROPERTY IN PROPORTION TO VALUE; OCCUPATION AND INCOME TAXES; EXEMPTION OF CERTAIN TANGIBLE PERSONAL PROPERTY AND SMALL MINERAL INTERESTS FROM AD VALOREM TAXATION; VALUATION OF RESIDENCE HOMESTEADS FOR TAX PURPOSES; VALUATION OF COMMERCIAL AND RENTAL PROPERTY FOR TAX PURPOSES.

(k) Notwithstanding Subsections (a) and (b) of this section, the Legislature by general law may limit the maximum appraised value of a commercial property or rental property for ad valorem tax purposes in a tax year to the lesser of the most recent market value of the property as determined by the appraisal entity or 108 percent, or a greater percentage, of the appraised value of the property for the preceding tax year. A limitation on appraised values authorized by this subsection:

(1) takes effect as to a commercial property or rental property 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 the owner qualifies the property for an exemption under Section 1-b

1 of this article; and

2 (2) expires on January 1 of the first tax year that
3 neither the owner of the property when the limitation took effect
4 nor the owner's spouse or surviving spouse qualifies for an
5 exemption under Section 1-b of this article.

6 SECTION 2. This proposed constitutional amendment shall be
7 submitted to the voters at an election to be held November 7, 2023.
8 The ballot shall be printed to permit voting for or against the
9 proposition: "The constitutional amendment to authorize the
10 legislature to limit the maximum appraised value of commercial
11 property and rental property for ad valorem taxation."