

BILL ANALYSIS

H.B. 4181
By: Muñoz, Jr.
Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The Texas Constitution requires equal and uniform taxation for property tax purposes. There are constitutional provisions that allow for targeted property tax breaks, including a residence homestead tax exemption for the surviving spouse of a U.S. military service member killed or fatally injured in action. Operation Lone Star, the mission to counter illegal immigration and drug trade along the southern border, consists of service members largely comprised of National Guard dual status technicians, which means a soldier who serves the federal government but can also perform state operations when called upon. Due to their dual service to both state and federal operations, if a technician passes away while performing state duties, their surviving spouse would not qualify for a tax exemption. H.B. 4181 seeks to rectify this by expanding the exemption to include the surviving spouse of a National Guard dual service technician.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 4181 amends the Tax Code to broaden the scope of the residence homestead property tax exemption for the surviving spouse of a member of the U.S. armed services. Accordingly, the bill entitles the surviving spouse of an individual who is considered to be a military technician (dual status) under applicable federal law who is killed or fatally injured in the line of duty to the exemption if the surviving spouse has not remarried. This change applies only to property taxes imposed for a tax year that begins on or after the bill's effective date and applies to a surviving spouse regardless of the date the qualifying military service member died.

EFFECTIVE DATE

January 1, 2024, if the constitutional amendment authorizing the legislature to provide for an exemption from property taxation of all or part of the market value of the residence homestead of the surviving spouse of a military service member who is killed or fatally injured in the line of duty is approved by the voters.