

RESOLUTION ANALYSIS

C.S.H.J.R. 150
By: Noble
Ways & Means
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The residence homestead property tax exemption lowers the taxable value of a person's primary residence. Unfortunately, a very narrow population of Texas adults cannot benefit from this exemption. Adults with intellectual and developmental disabilities (IDDs) residing in their own home cannot qualify for the exemption because having the home in their name would cause them to lose some of their federal and state benefits, which they greatly need and deserve. In an effort to care for their adult loved ones with an IDD, some parents, siblings, or other family members have purchased a home in their own name for their loved one to live in on a daily basis. C.S.H.J.R. 150 proposes a constitutional amendment to provide a property tax exemption, equal to the amount of the existing residence homestead exemption, to a family member who owns a home used as the primary residence for an adult with an IDD.

CRIMINAL JUSTICE IMPACT

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

ANALYSIS

C.S.H.J.R. 150 proposes an amendment to the Texas Constitution to authorize the legislature by general law to exempt from property taxation a portion of the market value of the real property that is the primary residence of an adult who has an intellectual or developmental disability and who must be related to the owner or trustee of the property within the third degree by consanguinity. The resolution authorizes the legislature to define "developmental disability" and "intellectual disability" for purposes of the exemption and establishes that the portion of the market value of real property authorized to be exempted is equal to the amount of the general school district residence homestead property tax exemption, which is presently \$40,000.

ELECTION DATE

The constitutional amendment proposed by this joint resolution will be submitted to the voters at an election to be held November 7, 2023.

COMPARISON OF INTRODUCED AND SUBSTITUTE

While C.S.H.J.R. 150 may differ from the introduced in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the resolution.

The substitute omits language included in the introduced that conditions the eligibility of real property to receive the exemption on the property not being used for the production of income.

The substitute conditions the eligibility of a property owner for the exemption on the adult who has an intellectual or developmental disability that is residing on the property being related to the owner or trustee of the property within the third degree by consanguinity, whereas in the introduced no option was provided to qualify on the basis of relation to a trustee.

The substitute revises the proposed ballot language set out by the introduced.