

## **RESOLUTION ANALYSIS**

C.S.H.J.R. 153  
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Ways & Means  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Constituents in House District 20 brought forward concerns that current law does not give local taxing entities the proper authority to provide a tax freeze for seniors or citizens with disabilities. Current law only allows for a county, municipality, or junior college district to provide a tax freeze on homesteads of elderly individuals and individuals with disabilities. C.S.H.J.R. 153 seeks to address this issue by allowing a taxing unit, other than a public school district, county, municipality, or junior college district, to provide taxing limitations on the homesteads of certain low-income individuals who are elderly or disabled. The resolution provides for the continued eligibility for the limitation of an otherwise eligible surviving spouse of a person who qualified for the limitation.

### **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. 153 proposes an amendment to the Texas Constitution to authorize the governing body of a political subdivision other than a public school district, county, city or town, or junior college district by official action to prohibit the total amount of property taxes imposed by the governing body of such a political subdivision on the homestead of a person who is of limited financial means, is disabled or is 65 years of age or older, and receives a residence homestead property tax exemption for the property from being increased while the homestead remains the residence homestead of that person or that person's spouse if the spouse is of limited financial means, is disabled or is 65 years of age or older, and receives a residence homestead exemption on the homestead. As an alternative, the resolution requires the governing body of the political subdivision, on receipt of a petition signed by five percent of the political subdivision's registered voters, to call an election to determine by majority vote whether to establish such a tax limitation. If a political subdivision establishes the tax limitation and a person of limited financial means who is disabled or is 65 years of age or older dies in a year in which the person received a residence homestead exemption, the resolution prohibits the total amount of property taxes imposed on the homestead by a political subdivision from being increased while the homestead remains the residence homestead of that person's surviving spouse if the spouse is of limited financial means and is 55 years of age or older at the time of the person's death, subject to any exceptions provided by general law.

C.S.H.J.R. 153 authorizes the legislature, by general law, to provide for the transfer of all or a proportionate amount of the tax limitation for a person who qualifies for the limitation and establishes a different residence homestead located in the same political subdivision. The resolution requires a political subdivision that establishes the tax limitation to comply with a law providing for the transfer of the limitation, even if the legislature enacts the law subsequent to the establishment by the political subdivision of the limitation. The resolution authorizes taxes otherwise limited by a political subdivision under the resolution's provisions to be increased to the extent the value of the homestead is increased by improvements other than repairs and other than improvements made to comply with governmental requirements and except as may be consistent with the transfer of the tax limitation under a law authorized by the resolution. The resolution prohibits the governing body of a political subdivision from repealing or rescinding the tax limitation. The resolution authorizes the legislature by general law to prescribe the method for determining whether a person is of limited financial means for purposes of the tax limitation. The resolution adds a temporary provision, set to expire January 1, 2025, establishing that the resolution's provisions take effect January 1, 2024.

### **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. 153 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.

Whereas the introduced extended to all political subdivisions other than a school district the authority that is currently provided to counties, cities, towns, and junior college districts to establish a limitation on the amount of property taxes that may be imposed on the residence homestead of persons who are disabled or elderly and their surviving spouses, the substitute provides for a limitation on the total amount of property taxes that a political subdivision other than a school district, county, municipality, or junior college district may impose on the residence homestead of certain low-income persons who are disabled or elderly and their surviving spouses. Accordingly, the substitute reflects such changes in the resolution's temporary provisions and in the ballot language for which the amendment is proposed.