88R363 CJC-D

By:  Bernal H.B. No. 147

A BILL TO BE ENTITLED

AN ACT

relating to an exemption from ad valorem taxation of the total appraised value of the residence homestead of an unpaid caregiver of an individual who is eligible to receive long-term services and supports under the Medicaid program while the individual is on a waiting list for the services and supports.

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

SECTION 1.  Subchapter B, Chapter 11, Tax Code, is amended by adding Section 11.136 to read as follows:

Sec. 11.136.  RESIDENCE HOMESTEAD OF UNPAID CAREGIVER. (a) In this section:

(1)  "Qualifying caregiver" means a person who:

(A)  is the parent, grandparent, or other legal guardian of a qualifying individual; and

(B)  provides care to the qualifying individual without cost to the individual.

(2)  "Qualifying individual" means a person who:

(A)  is eligible to receive long-term services and supports under the Medicaid program; and

(B)  resides with a qualifying caregiver.

(3)  "Residence homestead" has the meaning assigned by Section 11.13.

(4)  "Section 1915(c) waiver program" has the meaning assigned by Section 531.001, Government Code.

(b)  A qualifying caregiver is entitled to an exemption from taxation of the total appraised value of the qualifying caregiver's residence homestead for the period prescribed by Subsection (c).

(c)  A qualifying caregiver is eligible to receive an exemption under this section only for the period during which the qualifying individual for whom the qualifying caregiver provides care is on an interest list for long-term services and supports under the Medicaid program, including services and supports provided under a Section 1915(c) waiver program, the STAR Kids managed care program, or the STAR+PLUS home and community-based services and supports program.

SECTION 2.  Section 11.42(e), Tax Code, is amended to read as follows:

(e)  A person who qualifies for an exemption under Section 11.131, 11.136, or 11.35 after January 1 of a tax year may receive the exemption for the applicable portion of that tax year immediately on qualification for the exemption.

SECTION 3.  Section 11.43(c), Tax Code, is amended to read as follows:

(c)  An exemption provided by Section 11.13, 11.131, 11.132, 11.133, 11.134, 11.136, 11.17, 11.18, 11.182, 11.1827, 11.183, 11.19, 11.20, 11.21, 11.22, 11.23(a), (h), (j), (j-1), or (m), 11.231, 11.254, 11.27, 11.271, 11.29, 11.30, 11.31, 11.315, or 11.35, once allowed, need not be claimed in subsequent years, and except as otherwise provided by Subsection (e), the exemption applies to the property until it changes ownership or the person's qualification for the exemption changes. However, except as provided by Subsection (r), the chief appraiser may require a person allowed one of the exemptions in a prior year to file a new application to confirm the person's current qualification for the exemption by delivering a written notice that a new application is required, accompanied by an appropriate application form, to the person previously allowed the exemption. If the person previously allowed the exemption is 65 years of age or older, the chief appraiser may not cancel the exemption due to the person's failure to file the new application unless the chief appraiser complies with the requirements of Subsection (q), if applicable.

SECTION 4.  Section 26.10(c), Tax Code, is amended to read as follows:

(c)  If the appraisal roll shows that a residence homestead exemption under Section 11.131 or 11.136 applicable to a property on January 1 of a year terminated during the year, the tax due against the residence homestead is calculated by multiplying the amount of the taxes that otherwise would be imposed on the residence homestead for the entire year had the individual not qualified for the residence homestead exemption [~~under Section 11.131~~] during the year by a fraction, the denominator of which is 365 and the numerator of which is the number of days that elapsed after the date the exemption terminated.

SECTION 5.  Section 26.1125, Tax Code, is amended to read as follows:

Sec. 26.1125.  CALCULATION OF TAXES ON RESIDENCE HOMESTEAD OF 100 PERCENT OR TOTALLY DISABLED VETERAN OR UNPAID CAREGIVER. (a) If a person qualifies for an exemption under Section 11.131 or 11.136 after the beginning of a tax year, the amount of the taxes on the residence homestead of the person for the tax year is calculated by multiplying the amount of the taxes that otherwise would be imposed on the residence homestead for the entire year had the person not qualified for the applicable exemption [~~under Section 11.131~~] by a fraction, the denominator of which is 365 and the numerator of which is the number of days that elapsed before the date the person qualified for the applicable exemption [~~under Section 11.131~~].

(b)  If a person qualifies for an exemption under Section 11.131 or 11.136 with respect to the property after the amount of the tax due on the property is calculated and the effect of the qualification is to reduce the amount of the tax due on the property, the assessor for each taxing unit shall recalculate the amount of the tax due on the property and correct the tax roll.  If the tax bill has been mailed and the tax on the property has not been paid, the assessor shall mail a corrected tax bill to the person in whose name the property is listed on the tax roll or to the person's authorized agent.  If the tax on the property has been paid, the tax collector for the taxing unit shall refund to the person who was the owner of the property on the date the tax was paid the amount by which the payment exceeded the tax due.

SECTION 6.  Section 403.302(d-1), Government Code, is amended to read as follows:

(d-1)  For purposes of Subsection (d), a residence homestead that receives an exemption under Section 11.131, 11.133, [~~or~~] 11.134, or 11.136, Tax Code, in the year that is the subject of the study is not considered to be taxable property.

SECTION 7.  Section 11.136, Tax Code, as added by this Act, applies only to ad valorem taxes imposed for a tax year beginning on or after the effective date of this Act.

SECTION 8.  This Act takes effect January 1, 2024, but only if the constitutional amendment proposed by the 88th Legislature, Regular Session, 2023, authorizing the legislature to exempt from ad valorem taxation the total assessed value of the residence homestead of an unpaid caregiver of an individual who is eligible to receive long-term services and supports under the Medicaid program while the individual is on a waiting list for the services and supports is approved by the voters. If that constitutional amendment is not approved by the voters, this Act has no effect.