88R4736 DRS-D

By:  Cook H.B. No. 3974

A BILL TO BE ENTITLED

AN ACT

relating to an exemption from ad valorem taxation by a taxing unit located wholly or partly in a populous county of a specified dollar amount, or a greater dollar amount specified by the governing body of the taxing unit, of the appraised value of a residence homestead.

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

SECTION 1.  Section 11.13, Tax Code, is amended by amending Subsection (i) and adding Subsection (s) to read as follows:

(i)  The assessor and collector for a taxing unit may disregard the exemptions authorized by Subsection (b), (c), (d), [~~or~~] (n), or (s) [~~of this section~~] and assess and collect a tax pledged for payment of debt without deducting the amount of the exemption if:

(1)  prior to adoption of the exemption, the taxing unit pledged the taxes for the payment of a debt; and

(2)  granting the exemption would impair the obligation of the contract creating the debt.

(s)  This subsection applies only to a taxing unit located wholly or partly in a county with a population of 200,000 or more. In addition to any other exemptions provided by this section, an individual is entitled to an exemption from taxation by a taxing unit of $25,000, or a greater dollar amount specified by the governing body of the taxing unit before July 1 in the manner provided by law for official action of the body, of the appraised value of the individual's residence homestead.

SECTION 2.  This Act applies only to ad valorem taxes imposed for a tax year that begins on or after the effective date of this Act.

SECTION 3.  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 provide for an exemption from ad valorem taxation by a political subdivision located wholly or partly in a populous county of a specified dollar amount, or a greater dollar amount specified by the governing body of the political subdivision, of the assessed value of a residence homestead is approved by the voters. If that amendment is not approved by the voters, this Act has no effect.