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By:  Davis H.J.R. No. 71

A JOINT RESOLUTION

proposing a constitutional amendment to authorize the legislature to provide for limitations on the appraised value of certain real property in specified areas for ad valorem tax purposes.

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

SECTION 1.  Article VIII, Texas Constitution, is amended by adding Sections 1-a-1 and 1-a-2 to read as follows:

Sec. 1-a-1.  (a) Notwithstanding Sections 1(a) and (b) of this article and Section 56, Article III, of this constitution, the legislature by local law may authorize the governing body of one or more political subdivisions to adopt a temporary limitation on the appraised value for taxation by the political subdivision of one or more types of real property located in certain areas specified by law. Property subject to the limitation shall be taxed at the lesser of the appraised value of the property as otherwise determined by law or the appraised value of the property for the tax year preceding the tax year in which the limitation first applies.

(b)  A law enacted under this section:

(1)  must specify one or more areas to which the appraisal limitation authorized by this section applies;

(2)  must prescribe the period for which the limitation applies, which may not be longer than 15 consecutive tax years;

(3)  must prescribe the types of real property to which the limitation applies;

(4)  may prescribe additional eligibility requirements for the limitation; and

(5)  may prescribe procedures for the administration of the limitation.

(c)  Section 57, Article III, Texas Constitution, does not apply to a local law authorized by this section.

(d)  This section expires January 1, 2040.

Sec. 1-a-2.  (a) Notwithstanding Sections 1(a) and (b) of this article and Section 56, Article III, of this constitution, the legislature by local law may limit the maximum appraised value of a rapidly appreciating residence homestead located in certain areas specified by law for ad valorem tax purposes in a tax year to the lesser of the most recent market value of the property as determined by the appraisal entity or to the appraised value of the property for the 2017 tax year.

(b)  A limitation on appraised values authorized by this section:

(1)  takes effect as to a rapidly appreciating residence homestead on the effective date of the law imposing the limitation; and

(2)  expires on January 1 of the first tax year that neither the owner of the property when the limitation took effect nor the owner's spouse or surviving spouse qualifies for an exemption under Section 1-b of this article.

(c)  A law enacted under this section:

(1)  must specify one or more areas to which the appraisal limitation authorized by this section applies;

(2)  must define "rapidly appreciating residence homestead"; and

(3)  may prescribe additional eligibility requirements for the limitation.

(d)  Section 57, Article III, Texas Constitution, does not apply to a local law authorized by this section.

SECTION 2.  This proposed constitutional amendment shall be submitted to the voters at an election to be held November 7, 2023. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment to authorize the legislature to provide for limitations on the appraised value of certain real property in specified areas for ad valorem tax purposes."