88R6793 MLH-D

By:  Button H.J.R. No. 171

A JOINT RESOLUTION

proposing a constitutional amendment establishing a limitation on the total amount of ad valorem taxes that a county may impose on the residence homesteads of persons who are disabled or elderly and their surviving spouses.

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

SECTION 1.  Section 1-b, Article VIII, Texas Constitution, is amended by amending Subsection (h) and adding Subsection (h-1) to read as follows:

(h)  The governing body of a [~~county, a~~] city or town[~~,~~] or a junior college district by official action may provide that if a person who is disabled or is [~~sixty-five (~~]65[~~)~~] years of age or older receives a residence homestead exemption prescribed or authorized by this section, the total amount of ad valorem taxes imposed on that homestead by the [~~county, the~~] city or town[~~,~~] or the junior college district may not be increased while the homestead [~~it~~] remains the residence homestead of that person or that person's spouse who is disabled or is [~~sixty-five (~~]65[~~)~~] years of age or older and receives a residence homestead exemption on the homestead. As an alternative, on receipt of a petition signed by five percent [~~(5%)~~] of the registered voters of the [~~county, the~~] city or town[~~,~~] or the junior college district, the governing body of the [~~county, the~~] city or town[~~,~~] or the junior college district shall call an election to determine by majority vote whether to establish a tax limitation provided by this subsection. If a [~~county, a~~] city or town[~~,~~] or a junior college district establishes a tax limitation provided by this subsection and a [~~disabled~~] person who is disabled or is [~~a person sixty-five (~~]65[~~)~~] years of age or older dies in a year in which the person received a residence homestead exemption, the total amount of ad valorem taxes imposed on the homestead by the [~~county, the~~] city or town[~~,~~] or the junior college district may not be increased while the homestead [~~it~~] remains the residence homestead of that person's surviving spouse if the spouse is disabled or is [~~fifty-five (~~]55[~~)~~] years of age or older at the time of the person's death, subject to any exceptions provided by general law. The legislature, by general law, may provide for the transfer of all or a proportionate amount of a tax limitation provided by this subsection for a person who qualifies for the limitation and establishes a different residence homestead within the same [~~county, within the same~~] city or town[~~,~~] or within the same junior college district. A [~~county, a~~] city or town[~~,~~] or a junior college district that establishes a tax limitation under this subsection must comply with a law providing for the transfer of the limitation, even if the legislature enacts the law subsequent to the [~~county's, the~~] city's or town's[~~,~~] or the junior college district's establishment of the limitation. Taxes otherwise limited by a [~~county, a~~] city or town[~~,~~] or a junior college district under this subsection may 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 a tax limitation under a law authorized by this subsection. The governing body of a [~~county, a~~] city or town[~~,~~] or a junior college district may not repeal or rescind a tax limitation established under this subsection.

(h-1)  Except as otherwise provided by this subsection, if a person receives a residence homestead exemption prescribed by Subsection (c) of this section for homesteads of persons who are disabled or are 65 years of age or older, the total amount of ad valorem taxes imposed on that homestead by a county may not be increased while the homestead remains the residence homestead of that person or that person's spouse who receives the exemption. If a person who is disabled or is 65 years of age or older dies in a year in which the person received the exemption, the total amount of ad valorem taxes imposed on the homestead by a county may not be increased while it remains the residence homestead of that person's surviving spouse if the spouse is disabled or is 55 years of age or older at the time of the person's death, subject to any exceptions provided by general law. The legislature, by general law, may provide for the transfer of all or a proportionate amount of a tax limitation required by this subsection for a person who qualifies for the limitation and establishes a different residence homestead. Taxes otherwise limited by this subsection may 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 a tax limitation under this subsection.

SECTION 2.  The following temporary provision is added to the Texas Constitution:

TEMPORARY PROVISION. (a) This temporary provision applies to the constitutional amendment proposed by the 88th Legislature, Regular Session, 2023, establishing a limitation on the total amount of ad valorem taxes that a county may impose on the residence homesteads of persons who are disabled or elderly and their surviving spouses.

(b)  The amendment to Section 1-b, Article VIII, of this constitution takes effect January 1, 2024.

(c)  This temporary provision expires January 1, 2025.

SECTION 3.  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 establishing a limitation on the total amount of ad valorem taxes that a county may impose on the residence homesteads of persons who are disabled or elderly and their surviving spouses."