88R888 TJB-D

By:  Miles S.B. No. 1409

A BILL TO BE ENTITLED

AN ACT

relating to the continuation of a limitation on increases in the appraised value of a residence homestead for ad valorem tax purposes if the property is acquired by and qualifies as the homestead of an heir of the owner or the owner's spouse or surviving spouse.

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

SECTION 1.  Section 23.23, Tax Code, is amended by amending Subsection (c) and adding Subsection (c-2) to read as follows:

(c)  The limitation provided by Subsection (a) takes effect as to a residence homestead on January 1 of the tax year following the first tax year the owner qualifies the property for an exemption under Section 11.13. [~~The limitation 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 11.13.~~]

(c-2)  The limitation provided by Subsection (a) expires as to a residence homestead on January 1 of the first tax year that none of the following individuals qualify for an exemption under Section 11.13 with respect to the property:

(1)  the owner of the property when the limitation took effect;

(2)  the owner's spouse or surviving spouse; or

(3)  the first heir property owner to acquire the property as heir property from an individual described by Subdivision (1) or (2).

SECTION 2.  This Act applies only to the appraisal for ad valorem tax purposes of residence homesteads 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, to authorize the legislature to provide for the continuation of a limitation on the maximum appraised value of a residence homestead for ad valorem tax purposes if the property is acquired by and qualifies as the homestead of an heir of the owner or the owner's spouse or surviving spouse is approved by the voters. If that amendment is not approved by the voters, this Act has no effect.